INTESA SANPAOLO

Annual Report 2025

Consolidated Financial Statements

Parent Company's Draft Financial Statements

This document is an additional version of the official version compliant with Delegated Regulation (EU) 2019/815 of the European Commission (ESEF Regulation – European Single Electronic Format) published on the website at group.intesasanpaolo.com.

This is an English translation of the original Italian document "Bilanci 2025". In cases of conflict between the English language document and the Italian document, the interpretation of the Italian language document prevails. The Italian original is available on group.intesasanpaolo.com.

This document contains certain forward-looking statements, projections, objectives, estimates and forecasts reflecting the Intesa Sanpaolo management's current views with respect to certain future events. Forward-looking statements, projections, objectives, estimates and forecasts are generally identifiable by the use of the words "may," "will," "should," "plan," "expect," "anticipate," "estimate," "believe," "intend," "project," "goal" or "target" or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding Intesa Sanpaolo's future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where Intesa Sanpaolo participates or is seeking to participate.

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements as a prediction of actual results. The Intesa Sanpaolo Group's ability to achieve its projected objectives or results is dependent on many factors which are outside management's control. Actual results may differ materially from (and be more negative than) those projected or implied in the forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions.

All forward-looking statements included herein are based on information available to Intesa Sanpaolo as of the date of approval of this document. Intesa Sanpaolo undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law. All subsequent written and oral forward-looking statements attributable to Intesa Sanpaolo or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements.

Ordinary Shareholders' Meeting of 30 April 2026

Report and consolidated financial statements of the Intesa Sanpaolo Group 2025

Report and Parent Company's financial statements 2025

Intesa Sanpaolo S.p.A. Registered Office: Piazza S. Carlo, 156 10121 Torino Italy Secondary Registered Office: Via Monte di Pietà, 8 20121 Milano Italy Share Capital Euro 10,368,870,930.08 Torino Company Register and Fiscal Code No. 00799960158 "Intesa Sanpaolo" VAT Group representative Vat Code No. 11991500015 (IT11991500015) Included in the National Register of Banks No. 5361 ABI Code 3069.2 Member of the National Interbank Deposit Guarantee Fund and of the National Guarantee Fund and Parent Company of the banking group "Intesa Sanpaolo" included in the National Register of Banking Groups

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The Intesa Sanpaolo Group

The Intesa Sanpaolo Group: presence in Italy

Banks

NORTH WEST
Branches
846

NORTH EAST
Branches
545

CENTRE
Branches
563

SOUTH
Branches
506

ISLANDS
Branches
186

Figures as at 31 December 2025

Product Companies[1]

FIDEURAM VITA
INTESA SANPAOLO ASSICURAZIONI
INTESA SANPAOLO INSURANCE AGENCY
INTESA SANPAOLO PROTEZIONE
Salute SERVIZI

Bancassurance and Pension Funds

PRESTITALIA

Consumer Credit[2]

EURIZON ASSET MANAGEMENT

Asset Management

SIREF FIDUCIARIA

Fiduciary Services

1 *Factoring and Leasing activities are carried out directly by Intesa Sanpaolo S.p.A., the Parent Company*
2 *Consumer Credit activities are also carried out directly by Intesa Sanpaolo S.p.A., the Parent Company*

The Intesa Sanpaolo Group: international presence

Banks, Branches and Representative Offices

INTESA SANPAOLO

ALEXBANK | بنك الإسكندرية
BANCA INTESA
BANCA INTESA Beograd
CIB BANK
EXIMBANK
INTESA SANPAOLO BANK Albania
INTESA SANPAOLO BANK LUXEMBOURG
INTESA SANPAOLO BANK Romania
INTESA SANPAOLO BANK Slovenia
INTESA SANPAOLO BANKA Bosna i Hercegovina
INTESA SANPAOLO BRASIL SA
INTESA SANPAOLO WEALTH MANAGEMENT Luxembourg
PRAVEX BANK
PRIVREDNA BANKA ZAGREB
REYL INTESA SANPAOLO
VÚB BANKA

AMERICA

Direct Branches	Representative Offices
New York	Washington D.C.

Country	Subsidiaries	Branches
Brazil	Intesa Sanpaolo Brasil	1

AUSTRALIA/OCEANIA

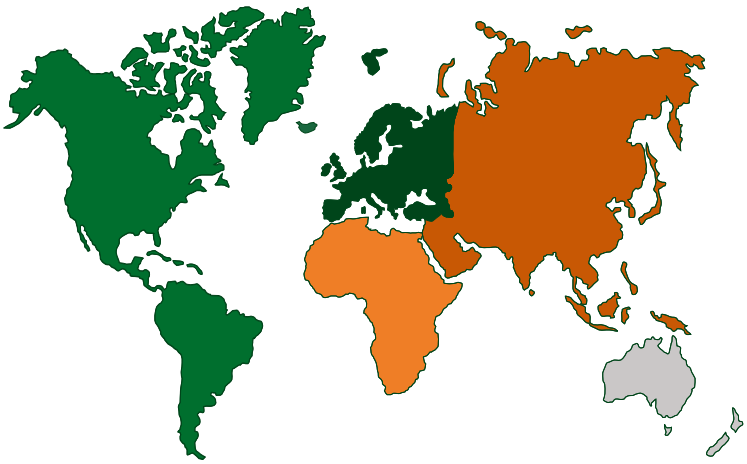
Direct Branches
Sydney

ASIA

Direct Branches	Representative Offices
Abu Dhabi	Beijing
Doha	Beirut
Dubai	Ho Chi Minh City
Hong Kong	Jakarta
Shanghai	Mumbai
Singapore	Seoul
Tokyo	

EUROPE

Direct Branches	Representative Offices
Amsterdam	Brussels*
Frankfurt	
Istanbul	
London	
Madrid	
Paris	
Warsaw	



Country	Subsidiaries	Branches
Albania	Intesa Sanpaolo Bank Albania	34
Belgium	Intesa Sanpaolo Wealth Management	2
Bosnia and Herzegovina	Intesa Sanpaolo Banka Bosna i Hercegovina	43
Croatia	Privredna Banka Zagreb	132
Czech Republic	VUB Banka	1
Hungary	CIB Bank	58
Luxembourg	Intesa Sanpaolo Wealth Management	1
	Intesa Sanpaolo Bank Luxembourg	1
Moldova	Eximbank	17
Romania	Intesa Sanpaolo Bank Romania	58
Russian Federation	Banca Intesa	16
Serbia	Banca Intesa Beograd	134
Slovakia	VUB Banka	151
Slovenia	Intesa Sanpaolo Bank	41
Switzerland	Reyl Intesa Sanpaolo	3
Ukraine	Pravex Bank	39

AFRICA

Representative Offices	Country	Subsidiaries	Branches
Cairo	Egypt	Bank of Alexandria	175

Figures as at 31 December 2025
** European Regulatory & Public Affairs*

Product Companies

EURIZON ASSET MANAGEMENT
FIDEURAM ASSET MANAGEMENT IRELAND
INTESA INVEST Beograd
INTESA SANPAOLO ASSICURAZIONI
意才 YI TSAI

Wealth Management

CIB LEASING
INTESA LEASING Beograd
PBZ LEASING
VÚB OPERATING LEASING

Leasing

Board of Directors, Manager responsible for preparing the Company's financial reports and Independent Auditors

Board of Directors

Chair	Gian Maria GROS-PIETRO
Deputy Chair	Paola TAGLIAVINI
Managing Director and Chief Executive Officer	Carlo MESSINA [(a)]
Directors	Maura CAMPRA [(*)] Guido CELONA Franco CERUTI Roberto FRANCHINI [(**)] Anna GATTI Paolo Maria Vittorio GRANDI Liana LOGIURATO Fabrizio MOSCA [(*)] Riccardo Secondo Carlo MOTTA [(*)] Luciano NEBBIA Bruno Maria PARIGI Pietro PREVITALI Maria Alessandra STEFANELLI Mariarosaria TADDEO Mariella TAGLIABUE [(*)] Maria Angela ZAPPIA
Manager responsible for preparing the company's financial reports	Elisabetta STEGHER
Independent Auditors	EY S.p.A.

(a) General Manager
(*) Member of the Management Control Committee
(**) Chair of the Management Control Committee

Letter from the Chair

Distinguished Shareholders,

The year 2025 was marked by significant transformations in the international landscape, both from a geopolitical and a geo-economic perspective. Policies adopted by the US administration have triggered notable shifts in global dynamics, contributing to a gradual reshaping of the international order.

During the past year, robust consumer demand in the United States, the resilience of the euro area economy and China's manufacturing sector, together with a gradual easing of inflation, reduced international trade tensions towards the end of 2025, and interest rate cuts by major central banks, supported economic activity worldwide. As a result, global growth slightly exceeded expectations, although with a slowdown compared with 2024.

Against this backdrop, the Italian economy continued to expand in 2025, supported by a moderate easing of monetary policy and continued implementation of the National Recovery and Resilience Plan (NRRP). GDP growth reached 0.7% for the year, surprising on the upside at the year end. A prudent fiscal policy aimed at strengthening public finances contributed to a significant narrowing of the spread between long-term Italian and German government bonds, from 116 basis points at the end of 2024 to 61 basis points at the end of January 2026. This trend was viewed positively by rating agencies, whose assessments supported confidence in Italy's public debt and created the conditions for a reduction in future interest expenditure. The lower cost of capital should also benefit investments aimed at boosting productivity growth.

The beginning of 2026 has been marked by renewed geopolitical tensions and persistent sources of instability, which continue to weigh on the global economic outlook. The conflict between Russia and Ukraine remains unresolved, the ceasefire between Israel and Palestine remains fragile, and new tensions have emerged involving Iran. Alongside well-known geopolitical risks – such as China's claims over Taiwan – additional points of friction have emerged, from Venezuela to Greenland, largely reflecting a shift in the international stance of the United States. For the year ahead, analysts expect a modest acceleration in Italy's economic growth during the second half of the year, with average GDP growth projected at around 0.8%. This outlook is expected to be supported by stronger intra-European trade, continued easing in prices, the effects of monetary policy easing, and more effective implementation of the NRRP.

In this environment, the Bank will continue to play an active role in supporting businesses and economic growth. We remain attentive to the challenges ahead, particularly in a context where wealth creation in both Italy and Europe remains below potential. The gap in productivity and innovation capacity compared with leading technological economies remains significant and continues to weigh on income growth and wage dynamics, particularly affecting opportunities for younger generations. Stronger productivity growth will therefore be essential to ensure that returns to labour and capital become more closely aligned with those of the most advanced economies. In this direction, Intesa Sanpaolo will implement its new Business Plan for 2026-2029, supporting customers and stakeholders while continuing to evolve the Group's organisational structure and activities.

In the post-pandemic era, the conditions have emerged for profound socio-economic change, driven by the pervasive role of technology in daily life and in the way we work. Technological innovation and artificial intelligence will play a decisive role in creating new opportunities for future generations.

At Intesa Sanpaolo, technological innovation goes hand in hand with a strong focus on people. Our objective is twofold: to simplify the work of our colleagues and to deliver ever better services to our customers. The trusted relationships we have built with households and businesses over the years are not undermined by digital tools. Instead, digital technology strengthens these relationships by enabling more flexible, efficient and secure interactions with our customers.

The Intesa Sanpaolo Group was among the first institutions in Europe to adopt the most innovative tools available and to integrate technology effectively into its business model, while continuing to invest in cybersecurity. Since 2022, we have recruited 2,430 IT specialists and invested 5.6 billion euro in the cloud-based digital platform isytech, which is progressively being extended across the entire Group. Today, 64% of our core banking applications have migrated to the cloud, enabling the development of new digital channels – Isybank and Fideuram Direct – and providing greater strategic flexibility in cost management.

During 2025, the market capitalisation of banks listed on Eurozone stock exchanges increased significantly, including in Italy, reflecting sustained investor confidence in the strength and profitability of our country's banking system. The market capitalisation of Intesa Sanpaolo rose by around 50% to exceed 100 billion euro, placing the Group among the largest banks in the Eurozone. This strong investment appeal reflects the successful execution of the ambitious 2022-2025 Business Plan, now concluded, which further strengthened and diversified the Group's earnings capacity. In particular, our wealth management hub – integrating protection and advisory services and managing substantial assets within the Italian and European markets – now generates almost half of the Group's consolidated gross income. The Group's international presence has also continued to expand. This is reflected in the performance of the International Banks Division, which generated around 12% of the Group's operating income as at December 2025, and in the activities of the IMI C&IB Division and the Banca dei Territori Division in the

United States and the Middle East. These operations support large corporate clients, financial institutions and smaller but rapidly expanding Italian companies.
The strategies we have implemented have enabled us to remain among the leading banking intermediaries even in a period of heightened uncertainty. This is reflected in the strong increase in medium- and long-term lending to Italian businesses, which grew by 30% in 2025 compared with the previous year. This performance was achieved while maintaining high credit quality, with the stock of non-performing loans continuing to decline during the course of the Plan and remaining in line with leading European banks. The new 2026-2029 Business Plan, presented at the beginning of February, will continue along the lines set by the previous plan, placing people firmly at its centre. Our strategy focuses on organic growth, structural cost reduction supported by the technological investments already made, revenue growth driven by our leadership in wealth management and protection & advisory services, international expansion – including the launch of Isywealth Europe – and disciplined risk management supported by our status as a Zero-NPL bank. The results achieved reflect not only careful and forward-looking planning but above all the commitment and professionalism of our people, who represent the Group's most important resource and a key strategic priority. We continue to invest in the development of our people, with a strong focus on reskilling, international experience and training in artificial intelligence and cloud banking. To further strengthen our people-centred approach, we renewed the Company-Level Collective Bargaining Agreement, introducing important measures to improve work-life balance and promote cohesion and solidarity across the different generations within our organisation. It is no coincidence that Intesa Sanpaolo has been recognised globally as one of the most inclusive and diversity-friendly workplaces, in the FTSE Diversity & Inclusion Index – Top 100, and also received the Top Employer Italy and Europe certification again in 2026.

For us, economic growth – while essential – cannot be separated from social and cultural responsibility. In this spirit, Intesa Sanpaolo actively engages with stakeholders operating in these areas. In 2025, we supported social initiatives through the Charity Allowance, which distributed 24.3 million euro. In a context where significant gaps in financial literacy persist, the Museo del Risparmio (Savings Museum) further expanded its role in promoting financial education, reaching more than 150,000 participants, many of them students. To support the most vulnerable groups – including young people who are not in employment, education or training – we launched the "Zero Neet" programme in collaboration with Fondazione Cariplo.
Our multi-year programme of cultural initiatives under the Progetto Cultura also continued. In 2025, around 750,000 visitors attended our four museums in Milan, Naples, Turin and Vicenza, which together form the Gallerie d'Italia museum network. Eighteen new exhibitions were organised with national and international partners, including the final exhibition of the twentieth edition of the "Restituzioni" programme, which contributed to restoring and enhancing 128 works of art from Italy's national heritage in collaboration with the Ministry of Culture.
Our commitment and achievements in environmental, social and governance matters were once again recognised internationally. Intesa Sanpaolo remains the only Italian bank included in the Dow Jones Best-in-Class World and Europe Indices.

Based on the Group's consolidated net income for 2025 of 9,321 million euro and the Parent Company's net income of 6,844 million euro, it is proposed to the Ordinary Shareholders' Meeting that a cash dividend distribution be made from 2025 net income totalling 6.5 billion euro. We will also propose the buyback of own shares for annulment, for a value not exceeding 2,300 million euro.

Gian Maria Gros-Pietro

Intesa Sanpaolo Group Report on operations and consolidated financial statements

Introduction

As set forth by Legislative Decree 38 of 28 February 2005, the Intesa Sanpaolo Group's consolidated financial statements have been prepared in compliance with the IAS/IFRS issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Standards - Interpretations Committee (IFRS-IC), endorsed by the European Commission, as provided for by EC Regulation 1606 of 19 July 2002.
The consolidated financial statements as at 31 December 2025 have been prepared based on the "Instructions for the preparation of the separate and consolidated financial statements of banks and financial companies, which are parent companies of banking groups" published by the Bank of Italy, in the exercise of powers set forth by Article 43 of Legislative Decree 136/2015, with Regulation of 22 December 2005 issuing Circular 262/2005 as amended. These Instructions set out compulsory financial statement formats and the related methods of compilation, as well as the content of the Notes to the consolidated financial statements.
In particular, these 2025 consolidated financial statements have been prepared according to the formats and the compilation rules contained in the 8th update of 17 November 2022, which amended Circular 262 to take account of the new IFRS 17 Insurance Contracts, which entered into force on 1 January 2023 and was applied for the first time from the financial statements as at 31 December 2023. For the preparation of the 2025 consolidated financial statements – as in 2024 – the provisions introduced by IVASS Order no. 152 of 26 November 2024 regarding insurance contracts also applied. Indeed, IVASS provisions are directly applicable pursuant to Bank of Italy Circular 262/2005 for aspects related to insurance contracts pertaining to consolidated insurance companies.

The consolidated financial statements are made up of the Balance sheet, the Income statement, the Statement of comprehensive income, the Changes in shareholders' equity, the Statement of cash flows, the Notes to the consolidated financial statements and the related comparative information. They are accompanied by the Directors' Report on operations, both at overall level and within the various sectors in which the Group operates, on the economic results achieved and on the Group's balance sheet and financial position.
The Report on operations contains financial information taken from or attributable to the consolidated financial statements, as well as other information – for example, figures on quarterly trends, and certain Alternative Performance Measures – not directly attributable to the consolidated financial statements. See the chapter "Alternative Performance Measures" of the Report for the definition and calculation of these measures, confirming that in line with the ESMA guidance, no new measures have been added, nor have any changes been made to the measures used, both with regard to the military conflict between Russia and Ukraine and any geopolitical impacts.
In view of the ongoing Russian-Ukrainian military conflict, these consolidated financial statements include a disclosure that restates and updates the information previously provided during the year. In particular, the introductory chapter of the Report on operations contains a specific paragraph outlining the risk management actions along with the Intesa Sanpaolo Group's approach regarding the main related accounting aspects. These are further discussed in the Notes to the consolidated financial statements, Part E, credit risk, where details are provided of the existing exposures and the valuation choices adopted.

In support of the comments on results for the year, the Report on operations also provides a reclassified Income statement and Balance sheet.
In the reclassified statements, the figures are normally restated, where necessary and if they are material, to enable a like-for-like comparison. In particular, the amounts are provided as consistently as possible with reference to the different periods covered, above all in relation to intervening changes in the scope of consolidation. This uniformity is achieved through "restated" figures, which include/exclude the values of the companies that entered or left the scope of consolidation.
Breakdowns of the restatements made and the reclassifications with respect to the format provided in Bank of Italy Circular 262 are presented in separate tables published in the attachments, as also required by Consob in its Communication 6064293 of 28 July 2006.

In accordance with Legislative Decree 125 of 6 September 2024, which implemented the Directive 2022/2464/EU on corporate sustainability reporting in Italy, starting from the financial year beginning on 1 January 2024, Intesa Sanpaolo is required to prepare the "Consolidated Sustainability Statement" as it is a public-interest entity and the parent company of a large group with an average number of employees during the financial year exceeding five hundred. In accordance with this regulation – like last year – the "Statement" has been included in a specific section of the Report on operations of the Consolidated financial statements and contains information necessary to understand the company's impact on sustainability matters and how sustainability matters affect the company's development, performance and position.

The information regarding the Corporate governance and ownership structures required by Article 123-bis of the Consolidated Law on Finance is included, as permitted, in a separate report approved by the Board of Directors and published together with these Financial statements, available at the Governance/Company Documents section of Intesa Sanpaolo Group's website, at group.intesasanpaolo.com. A summary of this information is also provided in the Report on operations, in the chapter "Corporate Governance and remuneration policies".

The Report on remuneration policy and compensation paid, required by Article 123-ter of the Consolidated Law on Finance, and the Basel 3 Pillar 3 Disclosure are also published and made available on the website, based on their respective approval processes.

Report on operations

Overview of 2025

Income statement figures and Alternative Performance Measures(°)

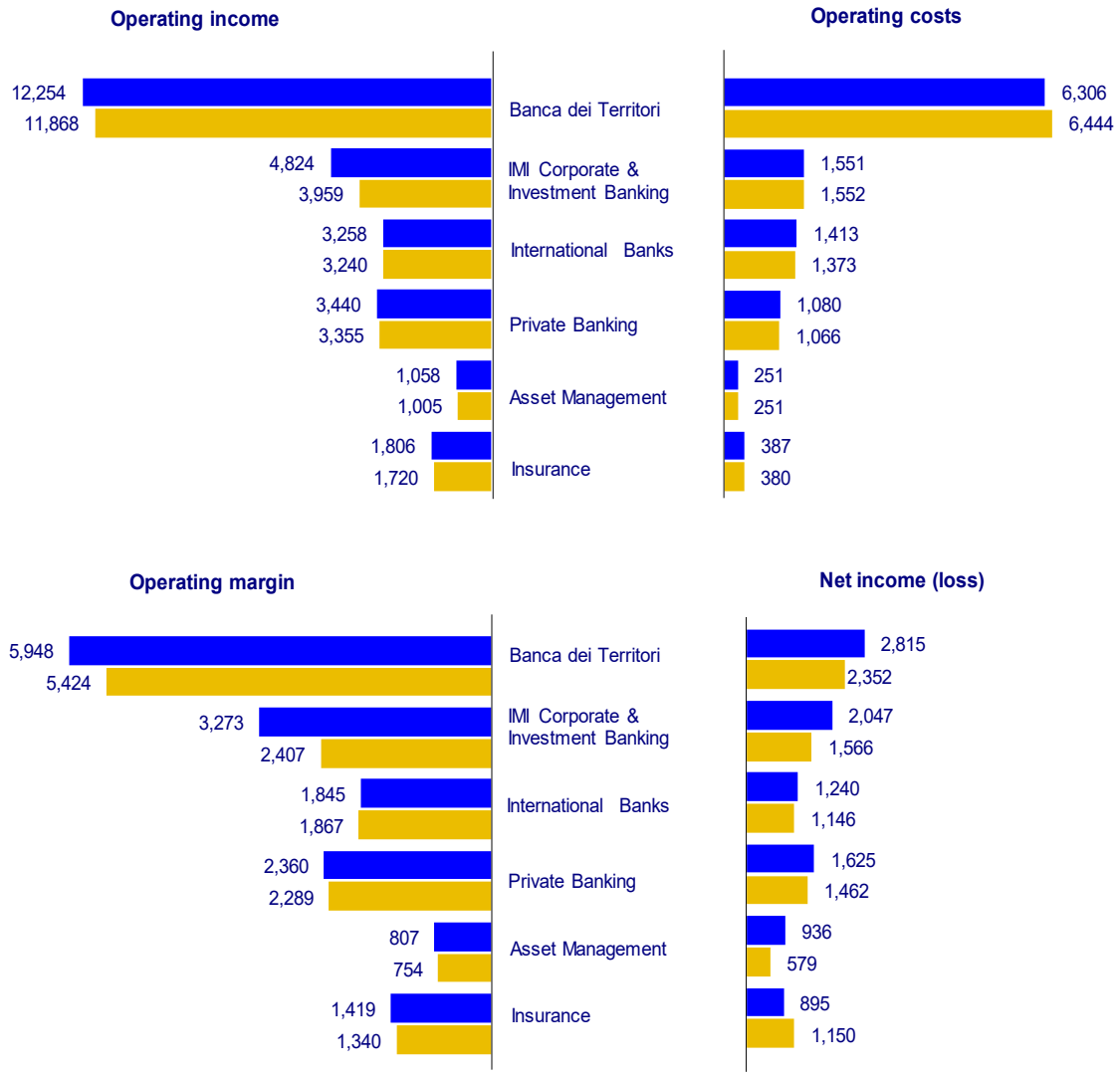
Consolidated income statement figures (millions of euro)			Changes	
			amount	%
Net interest income	14,796	15,718	-922	-5.9
Net fee and commission income	9,980	9,386	594	6.3
Income from insurance business	1,815	1,735	80	4.6
Profits (Losses) on financial assets and liabilities at fair value	691	256	435	
Operating income	27,270	27,107	163	0.6
Operating costs	-11,500	-11,570	-70	-0.6
Operating margin	15,770	15,537	233	1.5
Net adjustments to loans	-1,745	-1,274	471	37.0
Net income (loss)	9,321	8,666	655	7.6

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

Quarterly development of main consolidated income statement figures
(millions of euro)

(°) For more detailed information on the Alternative Performance Measures, see the specific chapter of the Report on operations.

Main income statement figures by business area (*) (millions of euro)



(*) Excluding Corporate Centre

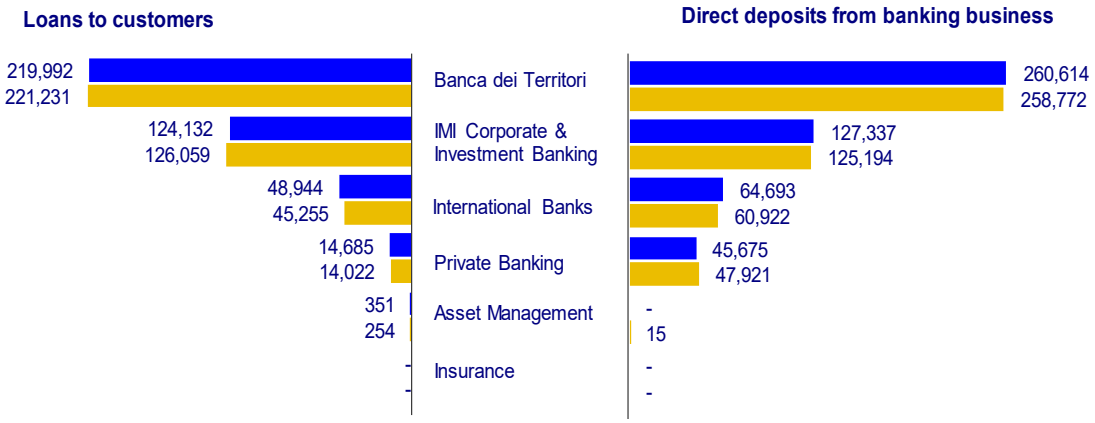
Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents. For more details, see the chapter “Breakdown of consolidated results by business area and geographical area”.

Balance sheet figures and Alternative Performance Measures(°)

Consolidated balance sheet figures (millions of euro)		Changes amount	Changes %
Banking business financial assets	207,811 184,988	22,823	12.3
Financial assets pertaining to insurance companies	184,187 177,322	6,865	3.9
Loans to customers	425,033 421,512	3,521	0.8
Total assets	959,887 933,285	26,602	2.9
Direct deposits from banking business	600,199 584,508	15,691	2.7
Direct deposits from insurance business	182,861 177,430	5,431	3.1
Indirect deposits:	844,619 788,399	56,220	7.1
of which: Assets under management (*)	*562,019* *535,493*	*26,526*	*5.0*
Shareholders' equity	65,226 65,176	50	0.1
Loans to customers / Direct deposits from banking business (%) (Loan to deposit ratio)	70.8% 72.1%		

(*) Starting from December 2025, assets under management also include mutual funds established by third parties, portfolio management of third-party companies and insurance policies issued by companies not belonging to the Group that were previously classified as assets under administration and in custody as not attributable to the Group's product factories. The figures for 31December 2024 have been restated accordingly.

Main balance sheet figures by business area (**) (millions of euro)



(**) Excluding Corporate Centre

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents and discontinued operations.

31.12.2025
31.12.2024

(°) For more detailed information on the Alternative Performance Measures, see the specific chapter of the Report on operations

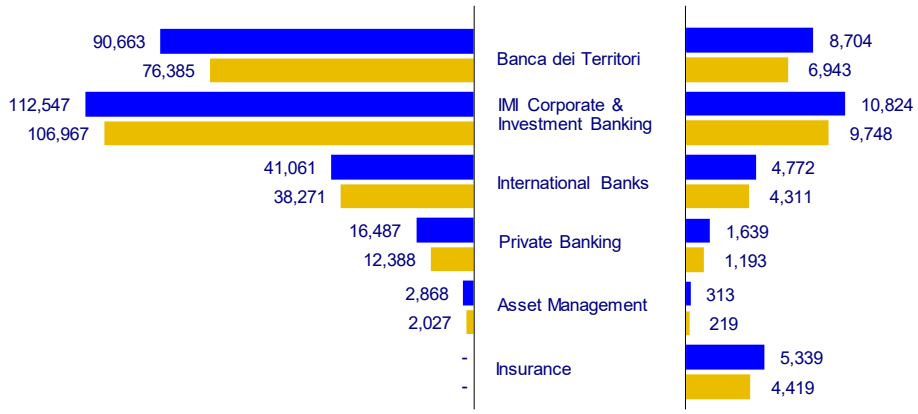
Alternative Performance Measures and other measures(°)

Consolidated capital ratios (%)	
Common Equity Tier 1 capital (CET1) net of regulatory adjustments / Risk-weighted assets (Common Equity Tier 1 capital ratio)	13.2 13.3
TIER 1 Capital / Risk-weighted assets	15.6 15.8
Total own funds / Risk-weighted assets	18.7 19.0
Risk-weighted assets (millions of euro)	310,201 296,366
Absorbed capital (millions of euro)	34,572 30,034

Data at 31 December 2025 were determined in accordance with Regulation (EU) 2024/1623 (CRR3), which implements Basel 4 principles into European legislation. Comparative figures have not been restated.

Risk-weighted assets by business area (*)
(millions of euro)

Absorbed capital by business area (*)
(millions of euro)



(*) Excluding Corporate Centre

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents and discontinued operations.

31.12.2025
31.12.2024

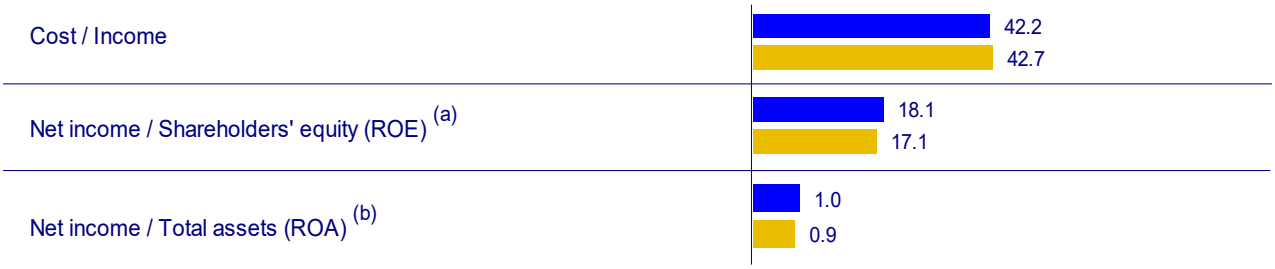
(°) For more detailed information on the Alternative Performance Measures, see the specific chapter of the Report on operations

Information on the shares	2025	2024
Number of ordinary shares	17,413,389,613	17,803,670,501
Share price at period-end - ordinary share (euro)	5.921	3.863
Average share price for the period - ordinary share (euro)	5.016	3.481
Average market capitalisation (million)	88,923	63,323
Book value per share (euro) (*)	3.768	3.682

Rating - Long-term debt (senior preferred unsecured)	2025	2024
Moody's	A3	Baa1
S&P Global Ratings	BBB+	BBB
Fitch Ratings	A-	BBB
Morningstar DBRS	A (low)	BBB (high)

(*) Book value per share includes minority interests and does not consider own shares.

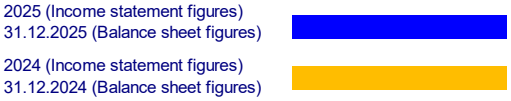
Consolidated profitability ratios (%)



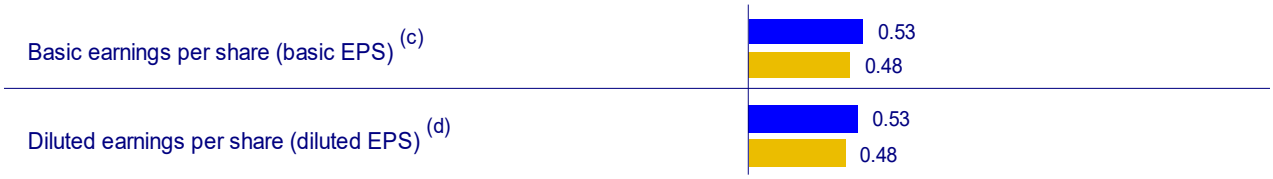
Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

(a) Ratio between net income and shareholders' equity at the end of the period. Shareholders' equity does not include AT1 capital instruments and income for the period. The comparative figure has not been restated.

(b) Ratio between net income and total assets at the end of the period. The comparative figure has not been restated.



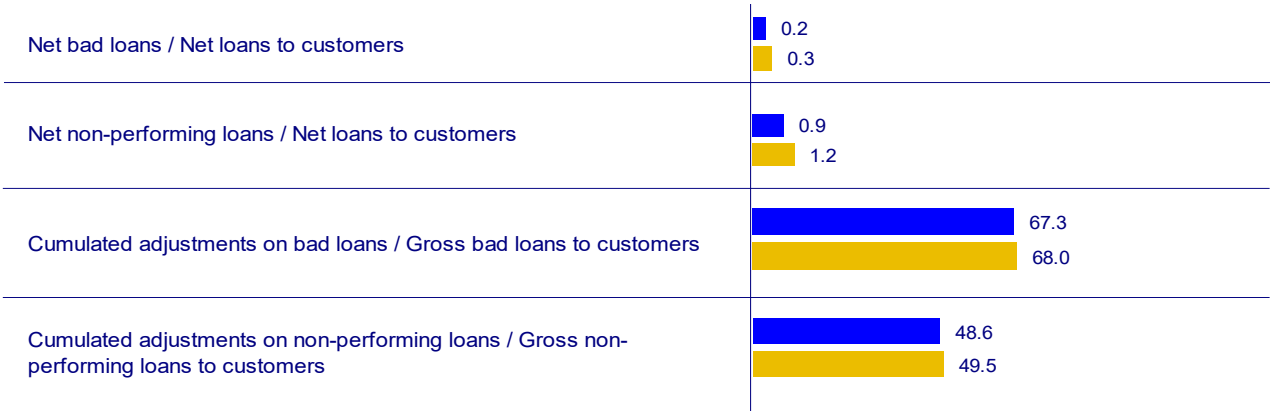
Earnings per share (euro)



(c) Net income (loss) attributable to shareholders compared to the weighted average number of outstanding shares, calculated excluding own shares. Intesa Sanpaolo's share capital consists solely of ordinary shares.

(d) Diluted earnings per share are calculated as basic earnings per share, also considering any future issues of new ordinary shares.

Consolidated risk ratios (%)



Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

Operating structure	31.12.2025	31.12.2024	Changes amount
Number of employees (e)	**90,831**	**94,736**	**-3,905**
Italy	68,932	71,320	-2,388
Abroad	21,899	23,416	-1,517
Number of financial advisors	**5,956**	**5,868**	**88**
Number of branches (f)	**3,569**	**3,925**	**-356**
Italy	2,646	2,971	-325
Abroad	923	954	-31

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

(e) The workforce indicated refers to the exact number of employees at the end of the period, counting part-time workers as equal to 1 unit.

(f) The figure includes Retail/Exclusive Branches, Non-Profit Sector Branches, Agribusiness Branches, SME Branches and Corporate Branches. The comparative figure is not restated.

2025 (Income statement figures)
31.12.2025 (Balance sheet figures)

2024 (Income statement figures)
31.12.2024 (Balance sheet figures)

Overview of 2025

Economic trends

In 2025, the global macroeconomic scenario was strongly influenced by the introduction of high import tariffs by the United States. The high tariff levels, their sectoral scope, and the uncertainty about their duration weighed on investment decisions and expectations. Nevertheless, the risks of a slowdown in global economic activity and a contraction in trade flows did not materialise. The partial suspension of measures against China and the year-end trade truce helped ease tensions, although they did not completely eliminate uncertainty.

In the United States, GDP growth slowed on an annual average basis compared with 2024, but remained robust in the third quarter. Domestic demand – particularly investments related to the development of artificial intelligence – continued to provide strong support to economic activity. Imports declined overall. The inflationary impact of the protectionist measures was significant but lower than expected. In this context, the Federal Reserve resumed monetary easing from September 2025, lowering the key interest rate to the range of 3.50–3.75% in November.

In the euro area, 2025 recorded modest but better-than-expected growth. After a relatively favourable start to the year, also due to the frontloading of US orders, activity weakened in the middle quarters. GDP growth remained moderate (according to the preliminary estimate: 1.3% year-on-year in the fourth quarter and an annual average of 1.5%). Business confidence, initially affected by trade tensions, was supported during the year by the announcement of a long-term fiscal stimulus plan in Germany. Inflation continued to slow, returning close to 2% towards the end of the year. In this context, the European Central Bank cut official rates four times in the first half, bringing the deposit rate to 2%, and kept them unchanged during the second half.

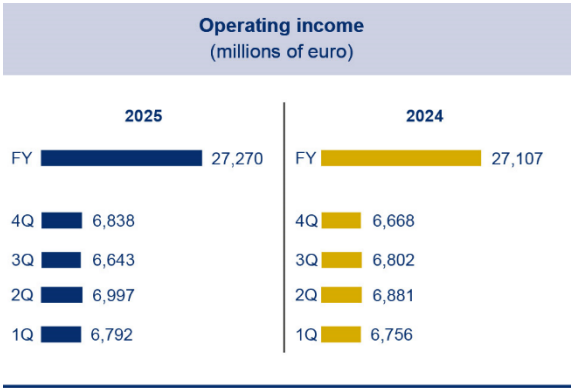
In Italy, 2025 recorded GDP growth of 0.8% in the fourth quarter and averaging 0.7% over the year. After a positive start to the year, the economic activity was stagnant in the second quarter, to then resume growth in the second half of the year. The weak growth reflected the slowdown in foreign demand and the continued modest contribution of consumption. Non-residential investment was still the most dynamic component of domestic demand, while construction showed signs of slowing. After a sharp contraction in the summer months, industrial production stabilised towards the end of the year. Labour market continued to show resilience, with the unemployment rate remaining at historic lows of around 6%. The rise in collectively agreed wages, which outpaced inflation, allowed a partial recovery in household purchasing power, although propensity to save remained high.

On the financial front, 2025 was characterised by an easing of monetary conditions, accompanied by a moderate increase in long-term euro yields, particularly in the second half. The ten-year BTP-Bund spread narrowed, after a temporary widening in April coinciding with tensions over US tariffs, and closed 2025 down by 51 basis points compared to the end of 2024. In the foreign exchange markets, the US dollar weakened significantly against the euro.

In the Italian banking sector, 2025 was a year of two phases for lending and deposit rates: up to the summer months, the transmission of the ECB's official rate cuts continued, while the final part of the year saw a stabilisation of bank interest rates. The spread between lending and funding rates narrowed in the first half and remained broadly unchanged at year-end. As an annual average it fell by about 40 basis points compared with 2024. Favourable lending conditions and a recovery in credit demand supported a rebound in loans to non-financial companies, which returned to growth from June, after almost two years of decline. A key factor was the resumption of medium/long-term lending, due to investment in capital goods. The recovery in loans to households strengthened, driven by mortgage loans for home purchases, which increased by 3.4% in December. Deposits experienced solid growth. Current accounts represented the lion's share, with significant inflows and an average stock growth of 4.6% in the second half. The trend in total funding from customers was in line with deposits. Direct investments by savers in debt securities remained significant but were lower than in the previous two years. The asset management industry achieved satisfactory net inflows and positive performance, thanks to favourable market conditions. Net inflows to mutual funds were driven by bond and money market funds. Net flows to life insurance were positive in the first three quarters and improved compared with the same period of 2024.

Consolidated results of Intesa Sanpaolo

The consolidated income statement for 2025 closed with *net income* of 9,321 million euro, up by 7.6% (+655 million euro) compared to 8,666 million euro recorded in 2024. The year benefited from the improvement in the operating margin, albeit in a situation of significant decline in market interest rates[1], lower charges for integration and charges concerning the banking and insurance industry, as well as several positive tax components, and despite the management actions in the fourth quarter to favour the de-risking and strengthening of the consolidated balance sheet.



Operating income totalled 27,270 million euro, compared to 27,107 million euro in 2024 (+163 million euro; +0.6%). The resilience of revenues, which benefited from the diversification of the business model and their integrated management aimed at creating value, was ensured by the positive performance of net fee and commission income and income from insurance business – which together increased by 6.1% and represented over 43% of the Group's operating income, one of the highest levels in Europe – as well as the improvement in profits (losses) on financial assets and liabilities at fair value.

In a scenario that saw four official rate cuts in the first half, *net interest income* decreased by 5.9% to 14,796 million euro. The dynamic brings together opposing trends among its various components. On one side, decreases were seen in (i) customer dealing (-13.2%), mainly in relation to medium/long-term loans, despite the benefit from lower interest expense on securities issued; (ii) relations with banks (-50%), due to the lower contribution of interest income on liquidity deposited with the ECB, and (iii) other net interest income (-15.3%). On the other hand, net interest income on financial assets and liabilities increased (+12.1%), also due to the higher stock of investments, while the contribution of the differentials on hedging derivatives became positive at 202 million euro (negative for 142 million euro in 2024).

Net fee and commission income grew by 6.3% to 9,980 million euro. This positive performance was driven by the management, dealing and consultancy activities segment (+10% to 6,306 million euro) – specifically dealing and placement of securities, portfolio management schemes, distribution of insurance products and consulting – and by other net fee and commission income (+7.6% to 1,092 million euro), mainly related to lending activities, against a decline for commercial banking activities (-2.2% to 2,582 million euro) across all its main components.

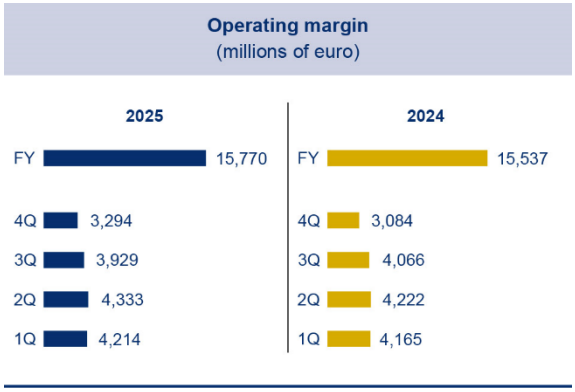
Income from insurance business also improved by 4.6% to 1,815 million euro, due to growth in both the non-life business (+9.4% to 570 million euro) and the life business (+2.6% to 1,245 million euro). Compared with 2024, total premiums written increased by 9.6%, driven by insurance products (+9.5%), in both the life business (+9.3%) and the non-life business (+8.5%). The performance for premiums from investment contracts was also positive (+9.9%).

Profits (losses) on financial assets and liabilities at fair value more than doubled to 691 million euro, from 256 million euro in 2024. The improvement was mainly due to "Profits (losses) on trading and on financial instruments under fair value option", which reduced its negative balance by 305 million euro, benefiting in particular from the impact of the decline in market interest rates on the management of financial risks connected with transactions in certificates (financial instruments measured at fair value). There was also an increase in the positive contributions from Profits (losses) on assets mandatorily measured at fair value through profit or loss (+82 million euro) and from the Profits (losses) from disposal/repurchase of financial assets/liabilities (+58 million euro).

Lastly, *other operating income (expenses)*, which includes profits on investments carried at equity and other operating income (expenses) from continuing operations, showed a net balance of -12 million euro, compared to a positive balance of 12 million euro in the previous year. This performance was driven by higher profits on investments carried at equity, which rose from 57 million euro to 67 million euro, more than offset by an increase in other net operating expenses.

Operating costs, totalling 11,500 million euro, were slightly down on the 11,570 million euro in 2024 (-70 million euro; -0.6%). Within the operating costs, *personnel expenses* decreased by 2.3% to 7,019 million euro, reflecting the reduction in the average workforce (-3,231 staff; -3.4%) only partially offset by the contractual and operational developments. In contrast, *administrative expenses* increased by 1.6% to 3,028 million euro, having incorporated several one-off expenditure items (for example, for the Winter Olympic Games and for transformation initiatives in preparation for the new Business Plan). This trend involved almost all the cost categories, with the only exceptions being property management, as a result of the ongoing scaling-back measures, and legal and professional fees. As a result of the significant investments in technology made to date, *amortisation and depreciation* grew by 3.3% to 1,453 million euro, with an increase almost entirely attributable to intangible assets.

[1] In 2025, the average 1-month Euribor was 2.12%, compared to 3.56% in 2024.



As a result of these trends in revenues and costs, the *operating margin* amounted to 15,770 million euro, up on 15,537 million euro recorded in 2024 (+233 million euro; +1.5%). Consequently, the cost/income ratio decreased to 42.2%, down from 42.7%, confirming the Group's best-in-class position in Europe.

Net adjustments to loans totalled 1,745 million euro, compared to 1,274 million euro for the previous year (+471 million euro; +37%). The annual change for this caption reflected adjustments made in the fourth quarter, also in relation to the de-risking initiatives implemented and launched. The increase was essentially due to the adjustments to Stage 3 non-performing loans (which rose to 1,835 million euro from 1,385 million euro in 2024), with net inflows from performing loans remaining limited. Performing loans (Stage 1 and Stage 2) recorded total recoveries of 191 million euro, although down from the previous 219 million euro, while provisions for credit risk associated with commitments and financial guarantees given decreased by 9 million euro to 71 million euro. The cost of risk, represented as the ratio of net adjustments to net loans, thus stood at 41 basis points compared to 30 basis points for the full year 2024, an increase almost entirely due to the de-risking actions mentioned above.

Other net provisions and net impairment losses on other assets decreased significantly to 392 million euro from 680 million euro in 2024 (-288 million euro; -42.4%). The caption was made up of the following:

– other net provisions of 178 million euro, including 82 million euro relating to disputes of mainly legal nature. In 2024, other net provisions amounted to 505 million euro and included 91 million euro for legal and tax disputes and 263 million euro to write off the equity contribution of the Russian investee to the consolidated financial statements, against the net income accrued in that year[2];
– net impairment losses on securities and other assets of 214 million euro (of which 116 million euro on securities and 98 million euro on other assets), which compares to net impairment losses of 175 million euro (of which 44 million euro on securities and 131 million euro on other assets) in 2024.

Other income (expenses), which include realised gains and losses on investments, equity investments and financial assets measured at amortised cost other than loans, as well as income/expenses not strictly related to operations, recorded a negative contribution of -171 million euro, due to the valuation effects in the fourth quarter relating to several investments. In 2024, this caption made a positive contribution of 153 million euro, having included, among others, income related to commercial agreements entered into by the Group in the first and fourth quarters.

As a result of the accounting entries described above, *gross income* fell to 13,462 million euro from 13,736 million euro in 2024 (-274 million euro; -2%).

Taxes on income for the year amounted to 3,579 million euro, compared to 4,048 million euro in 2024 (-469 million euro; -11.6%), with a tax rate consequently falling from 29.5% to 26.6%. In addition to the changes in the taxable base, the trend was determined by some tax benefits recognised in the fourth quarter totalling 669 million euro relating to: i) new deferred tax assets (DTAs) relating to the extremely conservative estimate of the tax value recognised for the intangible assets of Eurizon Capital S.A., a Luxembourg company merged into Eurizon Capital SGR; ii) adjustment of the DTAs to reflect the increase in the IRAP (regional production tax) rate for credit institutions and insurance companies introduced by the 2026 Budget Act (Law no. 199 of 30 December 2025); and iii) the amount of IRAP requested for refund following the reduction from 50% to 5% of the relevance for IRAP purposes of the dividends received by Italian banks and insurance companies on equity investments in companies resident in the EU or the European Economic Area.

After tax, *charges for integration and exit incentives* of 353 million euro were recognised, including 58 million euro (86 million euro before tax) related to the trade union agreement of December 2025 (587 million euro expensed in 2024, which included 295 million euro, 439 million euro before tax, relating to the trade union agreement signed in October of that year) as well as negative *effect of purchase price allocation* of 76 million euro (-94 million euro in 2024).

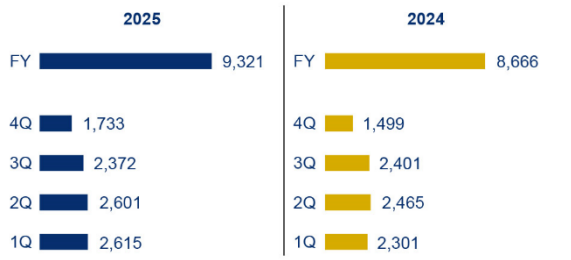
Levies and other charges concerning the banking and insurance industry, net of tax, recorded a significant decrease (-235 million euro; -67.5%). In 2025 they amounted to 113 million euro (154 million euro before tax) mainly attributable to: (i) 59 million euro (86 million euro before tax[3]) for the 2025 contribution to the Life Insurance Guarantee Fund by the Group's insurance companies and distribution companies; (ii) 18 million euro (27 million euro gross) for the 2025 contribution to the Deposit Guarantee Scheme by the Group's Italian banks, for the replenishment of the Fund's financial endowment in order to maintain the target level established by its Statute; and (iii) almost all the remainder consisting of charges attributable to the Group's international banks. In 2024, the figure recorded was 348 million euro (508 million euro before tax) which included: (i) 234 million euro (349 million euro gross) for the 2024 contribution to the Deposit Guarantee Scheme for the Group's Italian banks; (ii) 57 million euro (83 million euro gross) for the 2024 contribution to the Life Insurance Guarantee Fund; (iii) 31 million

[2] As set out in the section below on the highlights for the year, the orderly progress of the process for the reduction of business volumes (based on specific indications from the Regulator) led to a sharp reduction in the risk profile of Banca Intesa Russia, whose assets are now increasingly concentrated in on-demand deposits at the Russian Central Bank. In light of this and of the company's income forecasts which, although progressively declining, are still at positive levels, in 2025 it was decided to review the valuation of the investment in Banca Intesa Russia in the consolidated financial statements, maintaining the net income achieved by the investee from the first quarter of 2025 in the consolidated results, without making any provisions to write off its equity contribution upon consolidation, as was the case up to 31 December 2024.

[3] 69 million euro borne by the insurance companies and 17 million euro borne by the distribution companies of the Group.

euro (46 million euro gross) for the write-down of the Atlante Fund; and (iv) the remainder consisting of charges attributable to the Group's international banks.

Net income (loss)
(millions of euro)



After the allocation of the net income to minority interests of 20 million euro (7 million euro loss in 2024), the consolidated income statement for 2025 closed, as already stated, with a net income of 9,321 million euro, up by 7.6%.

The *consolidated income statement in the fourth quarter of 2025* recorded net income of 1,733 million euro, down from the 2,372 million euro in the third quarter (-639 million euro; -26.9%) mainly due to certain non-recurring expense items recognised during the period, together with the effects of the above-mentioned measures, in terms of adjustments and provisions, aimed at supporting the de-risking and strengthening of the balance sheet.
Operating income increased to 6,838 million euro (+195 million euro; +2.9%). The Group's revenue performance was driven by net fee and commission income (+8.5%), mainly in the management, dealing and consultancy activities segment, also thanks to the over-performance fees recorded in the period, with equally strong growth in the commercial banking activities segment and other net fee and commission income, particularly in relation to lending activities.
Net interest income remained substantially stable (+0.1%), with positive changes in customer dealing, net interest income on financial assets and liabilities in the portfolio and other net interest income, offset by negative changes in net interest on relations with banks and in differentials on hedging derivatives.
Income from insurance business recorded a modest decrease (-1.6%), entirely attributable to the life business.
Profits (losses) on financial assets and liabilities at fair value also decreased (-28.4%), due to the higher negative contribution from "Profits (losses) on trading and on financial instruments under fair value option", essentially related to transactions in certificates, and to the lower contribution from the profits (losses) from disposal/repurchase of financial assets/liabilities, despite the positive performance of the other captions.
Operating costs rose to 3,544 million euro (+830 million euro; +30.6%). Personnel expenses (+29.9%) included a non-recurring variable component linked to the results, in the context of a stable average workforce (15 fewer staff compared to the third quarter). Administrative expenses (+43.6%) reflected the usual year-end peak in invoicing, due to the completion of ongoing projects, and the already mentioned one-off costs incurred during the period, with the increases involving all the categories of expenditure, although to varying extents. Amortisation and depreciation (+8.7%) reflected the entry into use of new technological investments.
The revenue and cost trends described above affected the operating margin, which fell to 3,294 million euro (-635 million euro; -16.2%), with a cost/income ratio of 51.8% (40.9% in the third quarter).
Net adjustments to loans rose from 278 million euro to 962 million euro (+684 million euro). The change was mainly attributable to adjustments to non-performing loans in Stage 3 (+670 million euro), also in relation to the de-risking initiatives implemented and launched in the period, as well as provisions for credit risk associated with commitments and financial guarantees given (+70 million euro), only partly offset by higher recoveries on Stage 1 and Stage 2 performing loans (+85 million euro).
Other net provisions and net impairment losses on other assets totalling 250 million euro were also recorded, compared to 35 million euro in the third quarter. The increase (+215 million euro) was the result of: (i) +92 million euro from other net provisions, which rose to 105 million euro (of which 41 million euro relating to disputes of mainly legal nature) compared to the previous 13 million euro (of which 12 million euro related to disputes of mainly legal nature); and (ii) +123 million euro from higher net impairment losses on securities (+41 million euro) and other assets, also due to impairment of software due to be replaced (+82 million euro).
Other income (expenses), which includes realised gains and losses on investments and income/expenses not strictly related to operations, made a negative contribution of -190 million euro, incorporating the already mentioned valuation effects on several investments. In the previous quarter, the contribution of this caption was -2 million euro.
As a result, gross income amounted to 1,892 million euro from 3,614 million euro in the third quarter (-1,722 million euro; -47.6%).
Taxes on income for the period were positive at 77 million euro, compared with -1,152 million euro in the third quarter. In addition to reflecting the change in the taxable base, this caption benefited from the recognition of tax benefits of 669 million euro.
The consolidated income statement for the fourth quarter also recorded the following, net of tax: charges for integration and exit incentives of 164 million euro (64 million euro in the previous three months), including the already mentioned 58 million euro relating to the trade union agreement of 10 December 2025; negative effects of purchase price allocation of 14 million euro (-17 million euro in the third quarter) and charges aimed at maintaining the stability of the banking and insurance industry of 60 million euro (84 million euro before tax), consisting of the 2025 contribution to the Life Insurance Guarantee Fund (30 million euro, 43 million euro gross) and the replenishment of the financial endowment of the Deposit Guarantee Scheme of the Group's Italian banks (18 million euro, 27 million euro gross), with the remainder almost entirely consisting of charges attributable to the Group's international banks. In the third quarter, these industry charges totalled 3 million euro, with no tax impact.
Lastly, a loss of 2 million euro was allocated to third parties compared to profits of 6 million euro in the previous three months.

Loans to customers
(millions of euro)

With regard to the main balance sheet aggregates, as at 31 December 2025, *loans to customers* amounted to 425 billion euro and included 1.2 billion euro relating to an institutional customer previously classified under amounts due from banks[4]. The aggregate recorded modest growth compared both with December 2024 (+3.5 billion euro; +0.8%) and September 2025 (+4 billion euro; +0.9%), as a result of contrasting trends across the various components.
Commercial banking loans, amounting to 390.4 billion euro, showed a slightly negative trend year-on-year (-1.9 billion euro; -0.5%), although with a recovery in the fourth quarter (+4.2 billion euro; +1.1%). Within this category, medium/long-term loans remained broadly stable at 214.3 billion euro thanks to new disbursements, which increased in Italy by around 30%. In the shorter-term segment, current accounts, only marginally affected by the above-mentioned reclassification, rose to 21.2 billion euro (+0.3% year-on-year, +1.7% in the last three months), while advances and other loans, at 154.9 billion euro, maintained a decrease year-on-year (-0.8%), despite a rise in the fourth quarter (+3.9 billion euro; +2.6%), partly due to the above-mentioned reclassification (1.1 billion euro).
The trend described above was offset by the increase to 22 billion euro for repurchase agreements, used by the Parent Company in overall treasury management (+4 billion euro from December 2024, +0.8 billion euro in the fourth quarter), and to 8.7 billion euro for loans represented by securities, as a result of new subscriptions of corporate issuances, mainly by the Parent Company, in the first half of the year (+2.4 billion euro year-on-year).
Non-performing loans fell to 3.9 billion euro, from 4.9 billion euro at the end of 2024, also due to the de-risking measures launched and implemented in the fourth quarter. As a result, the NPL to total loan ratio decreased to 1.8% gross and 0.9% net (2.3% and 1.2% respectively in December 2024)[5].
The coverage ratio for non-performing loans amounted to 48.6%, one of the highest in Europe (49.5% at the end of 2024), while the coverage ratio on performing loans stood at 0.47% (0.53% at the end of 2024), reflecting the trend in Stage 2 loans. The latter decreased as a proportion of the total portfolio to 7.6% (7.9% at December 2024) and showed a coverage ratio of 4.20% (4.60% at the end of 2024), reflecting the transfer to non-performing status of exposures with higher coverage ratios than the category average and net inflows from Stage 1 characterised, on average, by lower risk.

Direct deposits from banking business
(millions of euro)

On the funding side, at the end of 2025 *direct deposits from banking business* totalled 600.2 billion euro – including 19 billion euro relating to an institutional customer previously classified under amounts due to banks – up both from December 2024 (+15.7 billion euro; +2.7%) and compared with September 2025 (+27 billion euro; +4.7%).
Current accounts and deposits, only marginally affected by the reclassification mentioned above, remained stable at 408.7 billion euro as a result of a partial shift from time deposits to current accounts. Instead, in the fourth quarter, they experienced an increase (+7.8 billion euro; +1.9%), which involved both forms of funding, although to varying extents. The ratio of current accounts and deposits to total direct deposits from banking business, equal to 68.1%, continues to represent a key strength of the Group's liquidity position.
Bonds decreased progressively over the twelve months to 68.1 billion euro (-12.3 billion euro; -15.3%). This trend, linked to the pre-funding carried out in 2024, involved covered bonds (-3.8 billion euro), senior preferred securities (-7.9 billion euro) and senior non-preferred securities (-0.6 billion euro). By contrast, they were accompanied by the growth in subordinated liabilities to 12.2 billion euro from 11.8 billion euro at the end of 2024, reflecting issuances and maturities during the year.
Other deposits also increased steadily, reaching 76.7 billion euro from 65 billion euro in December 2024, with an increase of 11.7 billion euro year-on-year attributable to (i) 4.2 billion euro from the growth in the component measured at fair value, almost entirely consisting of investment certificates, which rose to 36.7 billion euro (32.5 billion euro at the end of 2024), and (ii) 6.3 billion euro from the above-mentioned reclassification of the operations of an institutional counterparty. This reclassification affected in particular (12.5 billion euro) financial funding in the form of repurchase agreements and securities lending, used by the Parent Company in its treasury management, which amounted to 31.1 billion euro at the end of 2025, compared with 15.6 billion euro at the end of 2024 and 18.6 billion euro in September 2025.
Lastly, certificates of deposit – a form of funding concentrated in the Parent Company's international branches – despite increasing to 3.4 billion euro from 2.6 billion euro in December 2024, represented a residual component of the Group's total direct deposits from banking business.

As a result of the different trends in the two aggregates, the loan to deposit ratio fell to 70.8% from 72.1% in December 2024.

[4] This relates to a leading institutional customer operating as a Central Counterparty Clearing House which, in light of the new measures introduced by the ECB regarding access to overnight credit lines, returned its banking licence for deposit and lending activities on 28 October 2025, as this was no longer required under the new operational framework. Consequently, the counterparty's Bank of Italy Economic Sector (SAE) classification for supervisory reporting purposes was amended.

[5] Based on the EBA definition, as at 31 December 2025 the NPL ratio was down at 1.5% gross and 0.8% net (2% and 1%, respectively, at the end of 2024).

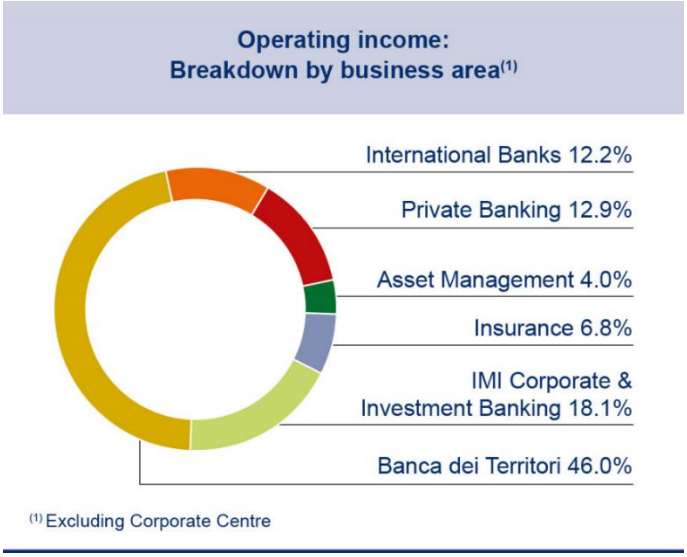
Direct deposits from insurance business
(millions of euro)

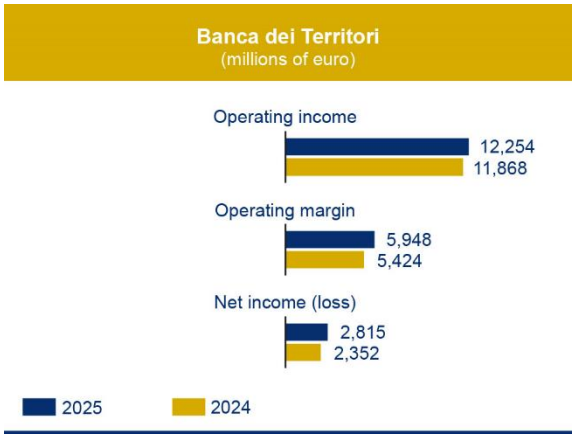
As at 31 December 2025, *direct deposits from insurance business* amounted to 182.9 billion euro, up by 5.4 billion euro (+3.1%) on the end of 2024, of which 3.9 billion euro in the fourth quarter (+2.2%).
The annual change was driven by insurance liabilities, which rose to 132.5 billion euro (+6.4 billion euro; +5.1% year-on-year; +2.9 billion euro; +2.2% over the three months), essentially attributable to the life business, which recorded a 9.3% increase in collected premiums. As a result, the share of insurance liabilities in the total aggregate rose to 72.5%.
Affected also by the market volatility, financial liabilities – consisting entirely of unit-linked investment contracts included under Financial liabilities designated at fair value pertaining to insurance companies in the Reclassified consolidated balance sheet – decreased to 49.2 billion euro (-1.5 billion euro; -2.9% from the end of 2024), despite the increase in the last quarter (+1 billion euro, +2.2%) and an annual increase of 9.9% in collected premiums. The weight of this caption consequently decreased to 26.9%.
The other insurance deposits – included among Financial liabilities at amortised cost pertaining to insurance companies in the Reclassified consolidated balance sheet and which also include the subordinated liabilities – amounted to 1.2 billion euro (+0.5 billion euro; +64.9% from December 2024), with a remaining weight of 0.6%. The growth was related to a Tier 2 subordinated issue of nominal 500 million euro, with 10-year maturity, placed on the institutional market by Intesa Sanpaolo Assicurazioni at the beginning of March.

Indirect customer deposits, measured at market prices, amounted to 844.6 billion euro at the end of 2025, increasing both year-on-year (+56.2 billion euro; +7.1%) and over the last three months (+18.4 billion euro; +2.2%), thanks to the favourable performance of both the main components, driven by positive net inflows and a positive performance effect linked to the reduction in interest rates.
Fuelled by net inflows of 15 billion euro (of which 3.8 billion euro in the fourth quarter), assets under management rose to 562 billion euro, corresponding to 66.5% of total indirect customer deposits, compared to 535.5 billion euro in December 2024 (+26.5 billion euro; +5%) and 553.3 billion euro in September 2025 (+8.8 billion euro; +1.6%). All the technical forms contributed to this trend, although to varying degrees, and in particular mutual funds.
Assets under administration reached 282.6 billion euro, representing 33.5% of total indirect customer deposits, from 252.9 billion euro at the end of 2024 (+29.7 billion euro; +11.7%) and 273 billion euro in September 2025 (+9.6 billion euro; +3.5%). This component also recorded overall positive net inflows of 13.3 billion euro, of which 5.7 billion euro in the fourth quarter.

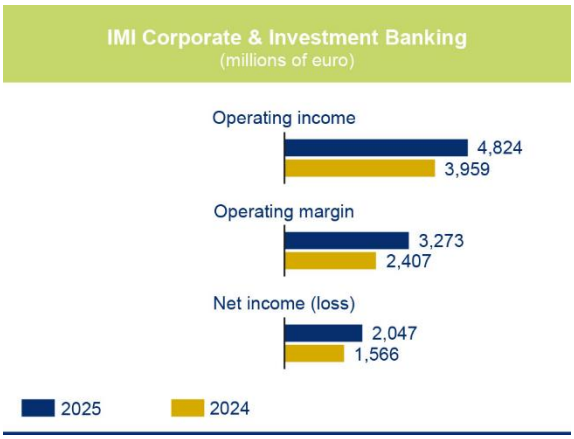
Results of the Business Areas

The Intesa Sanpaolo Group organisational structure is based on six business areas: Banca dei Territori, IMI Corporate & Investment Banking, International Banks, Asset Management, Private Banking and Insurance. In addition, there is the Corporate Centre, which is responsible for guidance, coordination and control of the entire Group, as well as for the Treasury, Funding and ALM operations.
As can be seen in the chart, the share of operating income attributable to each business area (excluding the Corporate Centre) confirmed that commercial banking activities in Italy continue to account for the majority (46.0% of the operating income of the business areas), although significant contributions were also provided by corporate and investment banking (18.1%), private banking (12.9%), commercial banking activity abroad (12.2%), insurance business (6.8%) and asset management (4.0%).
Where necessary and material, divisional figures are restated to reflect the changes in scope of the business areas to enable a like-for-like comparison.



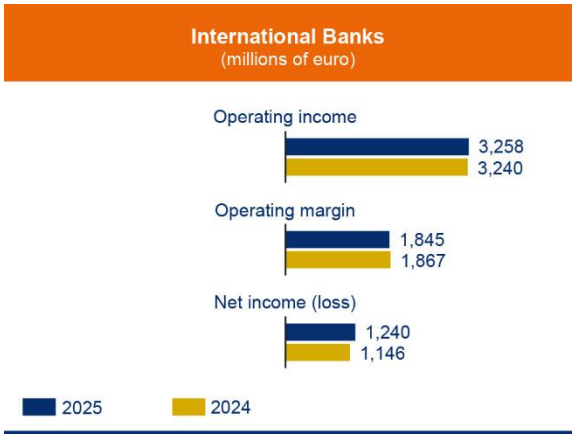


During 2025, the operating income of the Banca dei Territori Division – which oversees the traditional lending and deposit collecting activities in Italy and the related financial services – rose by 3.3% to 12,254 million euro. This performance was mainly driven by net fee and commission income (+5.7%), specifically in the wealth management, advisory and non-life insurance segments, while net interest income (+0.5%) was essentially stable. Operating costs, on the other hand, fell by 2.1% to 6,306 million euro, thanks to savings on personnel and administrative expenses. As a result, the operating margin rose by 9.7% to 5,948 million euro.
Gross income also improved (+3.7% to 4,404 million euro), despite the recognition of higher net adjustments to loans (+41.5%), including adjustments to support the de-risking. Banca dei Territori ended the year with net income up by 19.7% to 2,815 million euro.
As at 31 December 2025, the Division's balance sheet figures showed substantially stable total intermediated volumes of loans and deposits compared to the end of December 2024 (+0.1%). In detail, loans to customers, amounting to 219,992 million euro, decreased slightly (-0.6%, or -1.2 billion euro), reflecting the declining trend in loans to businesses, partly offset by the positive evolution of loans to retail customers. Direct deposits from banking business, amounting to 260,614 million euro, grew slightly compared to the end of 2024 (+0.7%, or +1.8 billion euro) mainly due to an increase in amounts due to retail customers.



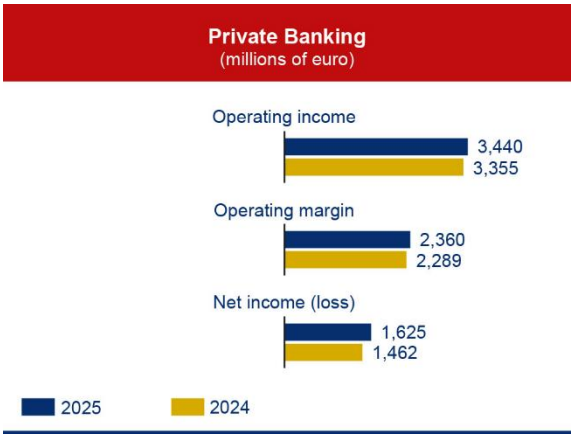
The IMI Corporate & Investment Banking Division – which oversees corporate and transaction banking, investment banking, public finance and capital markets activities, in Italy and abroad – made net operating income of 4,824 million euro, up by 21.8% from 2024. There were increases both in net fee and commission income (+2.5% to 1,318 million euro), essentially due to the performance of the structured lending and investment banking segments, and especially in the profits (losses) from financial assets and liabilities at fair value (with an increase of +846 million euro to 444 million euro), attributable to the results of the Global Markets operations, also in relation to the decrease in market interest rates. Operating costs remained stable at 1,551 million euro, while the operating margin improved by 36% to 3,273 million euro. The performance for gross income was similar (+30% to 3,035 million euro) despite the recognition of higher net adjustments to loans and net provisions and net impairment losses on other assets, including provisions and write-downs to support the de-risking. The year ended with net income of 2,047 million euro, an increase of 30.7%.

The total intermediated volumes of the Division were essentially stable compared to the end of 2024 (+0.1%). In detail, loans to customers, amounting to 124,132 million euro, decreased (-1.5%, or -1.9 billion euro), due to the declining trend in Global Corporate and in institutional customers, partially offset by the positive performance of Global Markets. In contrast, direct deposits from banking business, amounting to 127,337 million euro, were up (+1.7%, or +2.1 billion euro), mainly due to the growth in operations in certificates, partially offset by the reduction in securities issued by the Luxembourg subsidiary and within Global Markets.



In 2025, the operating income of the International Banks Division – which is responsible for the Group's operations on international markets through commercial banking subsidiaries and associates that mainly carry out retail banking activities – amounted to 3,258 million euro, up slightly on the previous year (+0.6%; +2.7% at constant exchange rates). The revenue items that provided positive contributions were net fee and commission income (+13.9% to 738 million euro) and profits (losses) on financial assets and liabilities at fair value (+11.2% to 149 million euro), against a decrease in net interest income (-3.4% to 2,439 million euro). Operating costs, amounting to 1,413 million euro, were up (+2.9%; +4.4% at constant exchange rates) essentially due to personnel and administrative expenses. As a result of the combined performance of the two aggregates, the operating margin was down slightly at 1,845 million euro (-1.2%). Gross income showed an improvement (+5.9%) to 1,787 million euro, thanks to lower adjustments and provisions. The Division ended the year with net income up at 1,240 million euro (+8.2%).

As at 31 December 2025, the total intermediated volumes were up (+7%) compared to the end of 2024, attributable to the increase in both loans to customers (+8.2%) and direct deposits from banking business (+6.2%). The performance of loans was mainly due to the development of the subsidiaries operating in Croatia, Serbia, Hungary and Slovakia, while the trend in deposits was mainly related to the increase recorded in Hungary, Croatia and Slovakia.

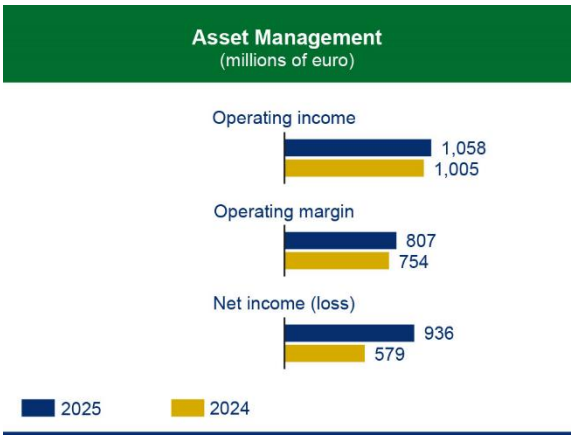


The Private Banking Division – which serves the top customer segment (Private and High Net Worth Individuals), creating value by offering top products and services – posted operating income up 2.5% to 3,440 million euro. The performance was supported by net fee and commission income (+7.3% to 2,247 million euro) – both recurring commissions, due to the growth in average assets under management, and up front commissions, due to the higher contribution from the placement of bonds, certificates, mutual funds and the receipt and transmission of orders – against a decline in net interest income (-6.9% to 1,100 million euro), linked to the lowering market interest rates.

Operating costs increased by 1.3% to 1,080 million euro and this performance was driven by administrative expenses, amortisation for software and rights of use on leased assets, and personnel expenses. Given the performance described, the operating margin improved by 3.1% to 2,360 million euro. Benefiting from lower adjustments and provisions, gross income rose by 3.1% to 2,311 million euro. The year ended with net income of 1,625 million euro, an increase of 11.1%.

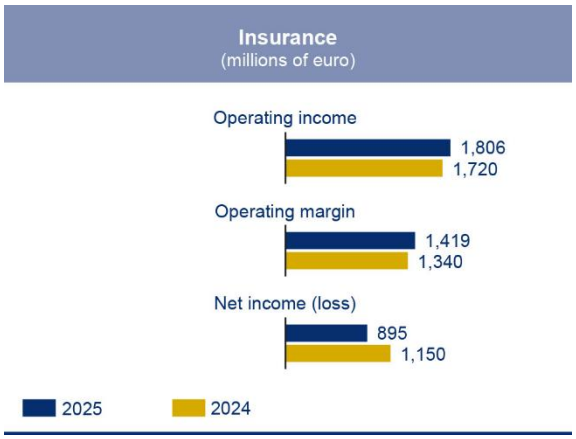
At the end of 2025, assets under management and administration, which also include the contribution of the trust mandates for SIREF Fiduciaria, amounted to 369.1 billion euro (+34.2 billion euro from the end of 2024). This trend was due to both the

market performance, which had a favourable impact on assets, and positive net inflows. The assets under management component amounted to 248.8 billion euro (+17 billion euro).



The Asset Management Division – which pursues the mission of developing the best asset management solutions aimed at the Group's customers and its presence on the open market segment through Eurizon Capital SGR and its subsidiaries – posted operating income of 1,058 million euro in 2025, up 5.3%. The growth in revenues was entirely attributable to the performance of net fee and commission income (+7.9% to 966 million euro), which benefited from an increase in incentive fees, the growth in up-front fees for mutual funds and recurring fee and commission income, against a reduction in net interest income (-31.1% to 42 million euro), which reflected the decline in market interest rates. In the presence of stable operating costs of 251 million euro, the operating margin rose to 807 million euro, with an increase of 7%. There were also significant improvements for gross income (+3.6% to 810 million euro) and, to a greater extent, for net income (+61.7% to 936 million euro), due to the recognition of deferred tax assets and other tax items.

As at 31 December 2025, the assets under management of the Asset Management Division totalled 352.8 billion euro, up by 19.7 billion euro (+5.9%) compared to the end of 2024, thanks to the revaluation of the assets under management, linked to the positive performance of the markets and net inflows (+2.6 billion euro), and included the effects of the changes in scope due to the reorganisation operations (described below) for a total amount of around 4 billion euro.



The Insurance Division – whose mission is to synergically develop the insurance product mix targeting Group customers – generated operating income up by 5.0% to 1,806 million euro in 2025, almost completely composed of income from insurance business (+5.4% to 1,808 million euro), driven by the non-life business, which benefited mainly from the positive performance of the technical margin, as well as the life business, particularly in the net investment result component. Against a moderate increase in operating costs (+1.8% to 387 million euro), the operating margin improved by 5.9% to 1,419 million euro. Gross income amounted to 1,377 million euro (+2.8%). The income statement for the year of the Insurance Division closed with net income down by 22.2% to 895 million euro, after the allocation of: (i) taxes of 425 million euro, up on the 108 million euro in 2024 which had benefited from the recognition of deferred tax assets of 293 million euro; (ii) charges for integration and exit incentives of 23 million euro; (iii) the positive effects of purchase price allocation of 14 million euro; and (iv) levies and other charges concerning the banking and insurance industry of 48 million euro.

The performance of the direct deposits from insurance business was described in the paragraph above containing the commentary on the Group's results.

The Structures of the Corporate Centre generated an operating margin of 118 million euro in 2025, compared to 1,456 million euro in 2024. This performance was especially attributable to the reduction in operating income, mainly due to the performance of net interest income, which was impacted by the declining trend in market interest rates, and profits (losses) on financial assets and liabilities at fair value, which were negatively affected by the performance of foreign exchange transactions. Operating costs increased slightly due to lower charge backs by the Corporate Centre to the business units and higher amortisation of intangible assets correlated with technological investments, largely offset by the decrease in personnel expenses. Gross income amounted to -262 million euro compared to 1,105 million euro in 2024.

The net result for 2025 was -237 million euro, compared to a positive figure of 411 million euro in 2024.

Highlights

The military conflict between Russia and Ukraine

The ISP subsidiaries in Russia and Ukraine

The Group is present in Russia and Ukraine through two subsidiaries:
– *Joint-Stock Company Banca Intesa (Banca Intesa Russia)*, 47% owned by Intesa Sanpaolo and 53% by Intesa Sanpaolo Holding International (Luxembourg). This is a Moscow-based corporate bank, which operates with 16 branches and 672 staff. The Group's presence in Russia dates back around 50 years (initially as a Representative Office, closed in August 2023). The bank has participated in the financing of large national and international Russian projects, also offering a full range of banking services for small and medium-sized enterprises, retail customers and companies;
– *Pravex Bank Joint-Stock Company*, 100%-owned by Intesa Sanpaolo. This is a small commercial bank based in Kyiv, part of the International Banks Division, which operates with 39 branches mainly in the Kyiv region and employs 530 people. Intesa Sanpaolo acquired the bank in 2008 and has been operating in the country continuously since that date.

The observations made concerning Intesa Sanpaolo's continued control over the two entities, as reported in Section 5 – Other Aspects of Part A of the Notes to the consolidated financial statements, still apply.
Despite the objective constraints imposed by the current situation, particularly for Pravex, the two subsidiaries are continuing to operate with the support of the Parent Company structures, while the overall exposure to and operations with the Russian Federation have decreased significantly over the past three years, as required by the European regulators and the ECB requirements/recommendations, the latest of which was issued in December 2024 (in this regard see also the already mentioned Section 5 - Other aspects of Part A of the Notes to the consolidated financial statements).

Risk management

In light of the continuing military conflict between Russia and Ukraine, the Group has not relaxed the safeguards put in place and described in the previous disclosures. The situation continues to be monitored both at Parent Company level and in all the Group banks directly involved in the conflict or close to it, where direct and continuous contacts are being maintained.
Appropriate information is also always prepared for the Board Committees and the Board of Directors.

The Risk Management and Control Task Force
With regard to credit risk control, there were no significant changes to report.
In light of the progressive tightening of the already severe sanctions imposed on Russia by Western countries, particularly within Europe, in order to ensure regulatory compliance, during the year under review the close supervision continued through a specific dashboard at Group level, aimed at monitoring the changes in the lists of sanctioned persons and entities at European and international level, identifying sanctioned persons and entities for the purpose of blocking positions and payments, complying with the specific ban on accepting deposits based on the restrictions established by the European regulations, and identifying and blocking financial instruments subject to sanctions. As at 31 December 2025, the exposure to Russian counterparties included in the OFAC (Office of Foreign Assets Control) SDN and/or EU asset freeze lists amounted to 276.2 million euro, compared to 219.5 million euro at the end of 2024.
Despite several repayments relating to existing exposures, the aggregate still showed an increase in the number of individual exposures during the year, due to the addition of new sanctioned persons and entities as a result of the application of the OFAC measures and the new packages decided by the European Union[6].
As described in greater detail in the Part E - Information on risks and relative hedging policies, chapter "Scope of risks", in corporate risk management, particular attention is given to the geopolitical context, the issues arising from it and their developments, in order to identify the main phenomena that could have an international impact and significantly alter the Group's risk profile and influence its operations. Specific scenario and stress analyses are therefore conducted, also in relation to the Russia-Ukraine conflict, to assess the potential impacts in terms of profitability and capital adequacy.

The Operational Resilience Task Force
With regard to business continuity in Ukraine, during the year operations were continually ensured thanks to all the solutions gradually adopted to guarantee normal functioning in the event of interruptions to essential services. Specifically: i) to overcome electricity supply issues, power banks were provided to head offices and personnel with critical and strategic roles, while branches were equipped with inverter generators, which can be easily and promptly used by branch personnel; and ii) data connection was ensured through the installation of satellite devices. These measures continue to ensure the provision of services without significant interruptions despite ongoing blackouts, also thanks to the increase in the number of inverter generators installed at the branches. The repeated attacks suffered by the country did not cause any problems to the Bank's buildings, except for one branch, which suffered slight damage but nevertheless remained operational. In 2025, the number of branches open daily stabilised at the total number of available branches. The decision-making process regarding the operations of the individual branches continues to be based on a risk assessment methodology agreed with the Parent Company, which involves the use of specific indicators, while always taking staff safety into account.
From the third quarter, in response to the intensification of the conflict, continuous monitoring of the evolution of the geopolitical situation was implemented and analysis began of new initiatives to be adopted in the event of a further deterioration of the situation.
At Banca Intesa Russia, on the other hand, the systems have continually functioned without any operational problems since the beginning of the conflict.
The review is also continuing of the operations of Banca Comerciala Eximbank, the Group's Moldovan subsidiary, which still has no operational problems to report, despite the temporary worsening of the conflict in the area.

[6] The sixteenth package on 24 February 2025, the seventeenth on 20 May 2025, the eighteenth on 18 July 2025 and the nineteenth on 23 October 2025.

In terms of cybersecurity, the monitoring and threat intelligence activities continued, alongside the continued strengthening of the cybersecurity controls throughout the Intesa Sanpaolo Group.
Within the threat intelligence activities aimed at preventing possible cyber threats to Pravex, the containment measures have so far enabled the management of the attacks, ensuring service delivery with minimal disruption. Specific educational initiatives on cyber risks, through training courses and in-depth studies on specific topics, are regularly implemented to continually raise awareness among all the Group's staff.
As usual, the additional costs incurred for business continuity and any losses resulting from physical damage to premises/branches located in the conflict zone form part of the monitoring of the exposure to operational risk, including that relating to the Risk Appetite Framework.

The main accounting aspects and the approach adopted by the Intesa Sanpaolo Group

This paragraph summarises main accounting issues arising from the ongoing conflict between the Russian Federation and Ukraine and the Intesa Sanpaolo Group's approach to addressing them. The situation of the Russian/Ukrainian crisis has been the subject of close attention since the outbreak of hostilities at the end of February 2022. The Group had significant cross-border exposures to counterparties resident in the Russian Federation, as well as, as already mentioned, two subsidiaries operating in the warring countries, which were therefore particularly exposed to the consequences of the conflict: Pravex Bank and Banca Intesa Russia.

At the beginning of 2022, loans to Russian customers represented around 1% (almost 5 billion euro) of the Intesa Sanpaolo Group's total loans to customers (net of the exposures backed by Export Credit Agency - ECA guarantees). The de-risking activities have therefore focused on reducing these exposures, and this activity has continued in 2025. In particular, the business conducted in the Russian Federation has been decreasing for many years now, as also requested by the European regulators.
Total gross exposures (customers, banks and securities) as at 31 December 2025 to counterparties resident in Russia and Ukraine amounted to just 792 million euro (546 million euro after adjustments), a decrease of 833 million euro or -51% (-875 million euro in net values, -62%) compared with 31 December 2024, when the gross exposure stood at 1,625 million euro (1,421 million euro in net values). The decrease mainly relates to the reduction in amounts due from banks of Banca Intesa Russia (-708 million euro in gross values) and, in particular, to term deposits with the Russian Central Bank, which were converted into cash and cash equivalents (amounting to 1,049 million euro as at 31 December 2025, up 756 million euro compared to December 2024). More specifically, as at 31 December 2025, the remaining exposures to customers amounted, in terms of gross values, to 71 million euro (16 million euro net) for Banca Intesa Russia, with its non-performing component fully written down as of 31 March 2025, and 335 million euro (198 million euro net) for cross-border exposures to customers resident in Russia (net of ECA guarantees). These amounts are in addition to the gross exposures to Russian banks totalling 51 million euro (48 million euro net) after the above-mentioned decrease in Banca Intesa Russia's term deposits with central banks. There are no longer any exposures in securities (1 million euro gross value and nil net value at the end of 2024)[7]. The amounts of the gross exposures to customers resident in Ukraine are small (as in previous years). Specifically, they amounted to 148 million euro (103 million euro net), of which 44 million euro (zero book value in net terms) related to the subsidiary Pravex (figures as at 30 September 2025, as described below)[8], in addition to exposures to banks and short-term government bonds totalling 187 million euro gross (181 million euro net).
That said, the situation as at 31 December 2025 is essentially the same as that described in the Annual Report as at 31 December 2024 and the interim reports of 2025. In particular, the Intesa Sanpaolo Group continued to exercise control over the two banks, which operated on the basis of the Parent Company's instructions in their respective environments. For Banca Intesa Russia, in line with the guidelines issued by Intesa Sanpaolo, the gradual and orderly implementation of the wind-down plan requested by the ECB is under way, aimed at further reducing the bank's operations.
Consequently, the main methodological choices – both in terms of consolidation of the two subsidiaries and valuation of the credit exposures – are essentially the same as those used in the 2024 Annual Report.

Before outlining the valuation issues regarding the two subsidiaries and the aspects related to the valuation of the cross-border exposures, it is necessary to provide some preliminary information about how Pravex and Banca Intesa Russia contributed to the consolidated financial statements as at 31 December 2025. More specifically, while it was possible to consolidate an accounting situation aligned to that of the Parent Company for Banca Intesa Russia (therefore, consolidated with reference to the results as at 31 December 2025), for Pravex, the specific situation in the city of Kyiv (where the bank is based) led to the conclusion that – in order to contain the "operational" risk – it was considered more appropriate to consolidate the figures of the Ukrainian bank using an accounting situation as at 30 September 2025, translated at the exchange rate of 31 December 2025. The accounting figures[9] of Pravex have therefore been incorporated by means of the line-by-line consolidation of a consolidation package prepared in accordance with the IAS/IFRS for the previous quarter, in keeping with the approach already adopted for the 2022, 2023 and 2024 Annual Reports. However, it is worth recalling here that the balances of the Ukrainian subsidiary are substantially immaterial in the context of those of the Intesa Sanpaolo Group. The above method of consolidation is also supported by the fact that the balance sheet management data as at 31 December 2025 do not show any significant differences – in the total aggregates – compared to those at the end of September.

[7] There were also 5 million euro (gross and net) in gross off-balance sheet exposures to customers at Banca Intesa Russia and 21 million euro (9 million euro net) in cross-border off-balance sheet exposures to customers resident in Russia (net of ECA). Lastly, there were 20 million euro (gross and net values) of cross-border positions with Russian resident banks.

[8] The cross-border exposures to customers resident in Ukraine are, for the corporate part, backed by guarantees provided by European persons, while, for the household part, these mainly relate to exposures disbursed by the subsidiary VUB to Ukrainian families with permanent residence in Slovakia.

[9] The consolidation of Pravex concerned the balance sheet figures as at 30 September 2025 and the income statement figures for the first nine months of 2025.

With regard to the valuation choices, the absolutely serious situation in all of Ukraine resulted in the definition, for the purpose of measuring Pravex's loan portfolio, of a specific approach, significantly based on prudent rationales, in light of the continuation of the conflict and the consequent repercussions on the Ukrainian economy. As at 31 December 2025, as in the 2024 Consolidated financial statements, it was again considered appropriate to maintain the full write-down of Pravex's on-balance sheet loans to customers, with consequent classification to Stage 3. As a result of that choice, for the purposes of the Group's consolidated financial statements, the equity of the subsidiary has essentially been reduced to zero.
For Banca Intesa Russia, the classification and measurement approach for performing loans used in previous years was maintained. Therefore, as was already the case in the 2024 Annual Report, the assessments carried out as at 31 December 2025 on the loans of the subsidiary included a centrally determined prudent factor that takes account of the worsening of the domestic economic situation in light of the continuation of the conflict and the increased isolation of the Russian economy. As a result of these valuations, the total coverage of performing loans of the Russian subsidiary amounted to around 60% of their gross value, up on 36% in December 2024. In addition, as already mentioned, the remaining non-performing loans of Banca Intesa Russia were fully written down already as of 31 March 2025.
In addition, the orderly progress of the wind-down process (based on specific indications from the Regulator) led to a sharp reduction in the risk profile of Banca Intesa Russia, whose assets are now increasingly concentrated in on-demand deposits at the Russian Central Bank. Consequently, as a result of the change in the subsidiary's risk profile and income forecasts which, although progressively declining, are still at positive levels, it was decided in 2025 to review the valuation of the investment in Banca Intesa Russia in the consolidated financial statements, maintaining the subsidiary's 2025 net income of 139 million euro in the consolidated results. Given the assumption, as at 31 December 2025, of a positive value for Banca Intesa Russia in terms of contribution to Intesa Sanpaolo's consolidated financial statements, it was necessary to subject this value to an impairment test, which was carried out on the basis of a specific appraisal commissioned from an independent advisor, the results of which confirmed the valuation adopted.
The Allowance for Risks and Charges (amounting to 438 million euro at the end of 2025), funded up to 31 December 2024 and aimed at fully writing down the equity value of Banca Intesa Russia at that date, remained substantially unchanged.

The significant adjustments on the credit exposures of Banca Intesa Russia and Pravex, made on a prudential basis, reflect the evolution of the conflict up to 31 December 2025, which requires careful consideration of the above-mentioned country risk for Russia and Ukraine, with appropriate measurement of the risk that the capital invested abroad is exposed to, connected to the possibility that political or economic circumstances may result in non-repayment of the loan (irrespective of the specific credit risk of the individual counterparty).

For the remaining cross-border positions, the Group continued to adopt the measurement approach guided by the emergence of the so-called "transfer" risk (an approach applied both for the determination of the SICR and the related classification to Stage 2, and for the calculation of the ECL through the application of managerial adjustments) in order to better incorporate provisions related to the risk associated with the current conflict that would otherwise not be properly captured by the risk measurement systems normally used. At the same time, the ratings for the highest risk class already assigned to the most significant counterparties exposed to conflict-related risk have been maintained.

With regard to the profit and loss impacts, as at 31 December 2025 the Group did not record any significant overall profit and loss impacts in relation to the exposures to Russian and Ukrainian counterparties, apart from the already mentioned 139 million euro contribution to the 2025 consolidated result from Banca Intesa Russia. For the full year 2024, the Group had recorded a negative profit and loss impact, before tax, of 273 million euro, mainly related to the inclusion, amounting to 263 million, of the provision made upon consolidation of Banca Intesa Russia, aimed at writing off its equity contribution to the consolidated financial statements (inclusion for 2024 corresponding to the income recorded by the bank). The other effects relating to collections and valuations of other positions with Russian or Ukrainian counterparties substantially offset each other, resulting in a total of -10 million euro.

Other highlights

The other significant events that occurred in 2025, as well as some updates since the end of the year, are described below.

On 28 January 2025, Intesa Sanpaolo announced the signing of an industrial partnership in the operational leasing of capital goods with Grenke AG, a company listed on the Frankfurt Stock Exchange and a market leader in Italy through its subsidiary Grenke Locazione S.r.l. This type of product strategically complements the traditional financial offering by allowing companies (i) to renew their operating equipment without weighing on their financial structure and (ii) the total tax deductibility of expenses incurred.
The partnership, approved by the Board of Directors of Intesa Sanpaolo on 17 January 2025 and signed by the parties on 28 January 2025, is aimed at strengthening the Intesa Sanpaolo Group's strategic positioning in operational leasing through the creation of a new market-leading player, leveraging the branch network and customer base of Intesa Sanpaolo together with Grenke's strong competitive positioning.
With legal and accounting effect from 1 June 2025, Intesa Sanpaolo contributed its entire holding (equal to 100% of the share capital) in Intesa Sanpaolo Rent Foryou S.p.A., previously recapitalised in the amount of 12 million euro, to Grenke Locazione, with a subsequent merger by incorporation envisaged[10]. Following the contribution, Intesa Sanpaolo acquired a 17% interest in Grenke Locazione S.r.l., which, from 1 June 2025, was converted into a joint-stock company and changed its name to Grenke Italia S.p.A.. The remaining 83% of the company's share capital remained with Grenke AG. The fairness of the values transacted was certified by a specific fairness opinion issued by an independent third party.
In accordance with the specific governance provisions set out in the agreements signed by the parties, the investment in Grenke Italia has been classified under interests subject to significant influence in accordance with IAS 28.

[10] The merger took place on 30 September 2025.

In 2025, a project was substantially completed for the evolution of Wealth Management, aimed at optimising the operations of the product factories through the reorganisation and restructuring of collective and asset management activities. The ultimate goal is the simplification of the Group's corporate and organisational structure, increased specialisation of the product factories by creating specialist centres of excellence, and improved coordination between the factories and distribution networks.
This project included the following:

– on 19 February 2025, the deed was executed for the *merger by incorporation of Epsilon SGR S.p.A. into its parent company Eurizon Capital SGR S.p.A.*, in turn wholly owned by Intesa Sanpaolo. The transaction, which took statutory effect from 1 March 2025, with accounting and tax effects from 1 January 2025, was authorised by the Bank of Italy by order dated 27 January 2025, which also approved the amendments to the rules of the funds managed by Epsilon SGR. As a merger involving a wholly owned company, it was carried out in the simplified manner provided for in Article 2505 of the Italian Civil Code.
  The merger was carried out on the basis of a merger plan filed by the two companies on 27 January 2025 and registered with the Company Register, Milan Monza Brianza Lodi office, on 28 and 29 January. The resolution approving the transaction by the Extraordinary Shareholders' Meetings of the two companies was passed on 29 January, with registration in the above-mentioned Register on 31 January 2025;
– through orders dated 24 January 2025 and 5 March 2025, respectively from the European Central Bank and the Bank of Italy, the following corporate transactions were authorised:
  - the *total demerger of Fideuram Asset Management SGR S.p.A.*, wholly owned by Fideuram - Intesa Sanpaolo Private Banking S.p.A., in favour of Eurizon Capital SGR (business line organised for collective asset management – UCITS and AIFs) and Fideuram - Intesa Sanpaolo Private Banking (set of assets, liabilities, rights, and legal and economic relationships not pertaining to collective asset management, and therefore not assigned to Eurizon Capital SGR);
  - the *partial demerger of Eurizon Capital SGR* in favour of Fideuram - Intesa Sanpaolo Private Banking of the business line comprising the portfolio management schemes distributed by the Private Banking Division;
  - the approval of the amendments to the rules of the funds managed by Fideuram Asset Management SGR.

  On 16 June 2025, in execution of the shareholders' meeting resolutions of 15 May 2025, the deed was signed for the total demerger of Fideuram Asset Management SGR, which took statutory, accounting and tax effects from 1 July 2025. Following the demerger, which concerned the entire scope of operations of the company, Fideuram Asset Management SGR was dissolved.
  To service the total demerger, on 1 July 2025 Eurizon Capital SGR increased its share capital by an amount equal to the net value of the business line assigned from Fideuram Asset Management SGR, issuing new shares allocated to Fideuram - Intesa Sanpaolo Private Banking, as sole shareholder of the demerged company. On 7 July, these shares were purchased by Intesa Sanpaolo at a market-consistent price determined with the aid of an independent expert, in order to restore full control over Eurizon Capital SGR.
  On 17 September 2025, the deed was signed for the partial demerger of Eurizon Capital SGR in favour of Fideuram - Intesa Sanpaolo Private Banking of the business line comprising the portfolio management schemes distributed by the Private Banking Division. The partial demerger of Eurizon Capital SGR took statutory, accounting and tax effects on 1 October 2025.

Additionally, under the above project, in 2025 the streamlining was initiated of the English registered companies within the Wealth Management Division, which led, in November, to the transfer of the entire business of Fideuram Asset Management UK Ltd to Eurizon Slj Capital Ltd. The liquidity required to complete the transaction was provided to Eurizon Slj Capital by its 65% parent company, Eurizon Capital SGR, through the subscription and payment of a share capital increase with the issuance and allocation of new shares and the consequent increase to 85% of the investment held. The streamlining will be completed in 2026 with the liquidation of Fideuram Asset Management UK.

At the meeting held on 27 March 2025, the Board of Directors of Intesa Sanpaolo gave its approval to the following corporate transactions:

– the *merger by incorporation of First Bank S.A.*, the Romanian bank acquired in 2024 and 99.98% owned by Intesa Sanpaolo, into Banca Comerciala Intesa Sanpaolo Romania S.A. (Intesa Sanpaolo Bank Romania), the subsidiary through which the Group has operated in Romania since 2001, and which is 99.73% owned by Intesa Sanpaolo and 0.27% by Intesa Sanpaolo Holding International S.A. (Luxembourg). On 28 March, the Boards of Directors of the two banks approved the merger plan, which was registered with the Company Register in the days that followed.
  After the period granted by law for any creditor opposition had expired, the Shareholders' Meetings of the two banks approved the merger plan on 12 May 2025. On 16 June, the request was submitted to the National Bank of Romania, which notified its authorisation on 13 October. The transaction became legally effective on 31 October 2025, following the official registration in the Trade Register, and the accounting and tax effects commenced on the same date. First Bank was consequently dissolved without liquidation and was removed from the Trade Register and the Register of Banks at the Central Bank of Romania. Intesa Sanpaolo Bank Romania carried out a capital increase through the issuance of new shares allocated to Intesa Sanpaolo and the minority shareholders of First Bank. Following the merger, the share capital of the absorbing company is held 99.84% by Intesa Sanpaolo, 0.15% by Intesa Sanpaolo Holding International and 0.01% by minority shareholders.
  The merger will enable the implementation of a unified business strategy based on multi-channelling, the streamlining of the branch network, and the achievement of significant cost synergies, also through the simplification of governance;
– the *cross-border merger of Intesa Sanpaolo Bank Ireland Plc* (wholly owned by Intesa Sanpaolo) into Intesa Sanpaolo Bank Luxembourg S.A. (wholly owned by Intesa Sanpaolo Holding International). On 15 May 2025, the Boards of Directors of both banks approved the merger plan. The extraordinary shareholders' meetings approving the merger plan were held on 30 June 2025 for Intesa Sanpaolo Bank Ireland and on 26 September 2025 for Intesa Sanpaolo Bank Luxembourg. The merger took legal effect from 17 November 2025, upon publication in the Luxembourg Company Register. The accounting effects of the transaction began on 1 January 2025, while the tax effects commenced on 17 November 2025. Because both banks were wholly owned by the Parent Company, it was possible to use a simplified merger procedure, as envisaged by both legal systems, which allowed the transaction to be completed without the need for a dedicated capital increase by the absorbing company. The merger will simplify the international network of the IMI Corporate & Investment

Banking Division, strengthening the Bank's role in Luxembourg, which will centralise the activities previously carried out by the Irish subsidiary, also generating cost synergies.

With regard to the *22.5% stake in Cronos Vita Assicurazioni* – acquired by Intesa Sanpaolo Assicurazioni (formerly Intesa Sanpaolo Vita) within the industry-wide transaction carried out in 2023 to protect policyholders of Eurovita and involving the five main Italian insurance companies – from December 2023 this stake was classified under assets held for sale given the shareholder companies' clear intention from the outset to hold the investment for a limited period.
Between late March and early April of 2025, the five shareholder companies, together with Cronos Vita Assicurazioni, approved, for matters within their competence, the total non-proportional demerger plan for the company, with statutory, accounting and tax effects from the same date, set as 1 October 2025, following completion of the legal procedures. On 7 April 2025, the same parties submitted their application to IVASS, which granted the necessary authorisations by order no. 0098642 of 14 May 2025. The deed of demerger was consequently signed on 26 September and, as stated above, became effective on 1 October 2025, on which date Cronos Vita Assicurazioni was dissolved without liquidation.
With regard to the Intesa Sanpaolo Group, on 27 March 2025, the Board of Directors of Intesa Sanpaolo granted prior approval of the plan, designating Fideuram Vita as the beneficiary of the demerger, in view of the nature of the portfolio transferred to the Intesa Sanpaolo Group, mainly consisting of policies no longer being distributed, entered into with customers of Fideuram - Intesa Sanpaolo Private Banking. On the basis of the above-mentioned prior approval, on 31 March 2025 and 3 April 2025, respectively, the Boards of Directors of Intesa Sanpaolo Assicurazioni and Fideuram Vita approved, for matters within their competence, the Demerger Plan which included, inter alia, a capital increase by Fideuram Vita to service the demerger for an amount equal to the carrying amount of the investment in Cronos Vita Assicurazioni, with the issuance of new shares in favour of Intesa Sanpaolo Assicurazioni and the related amendment to the company's Articles of Association (authorised by IVASS under the above-mentioned order of 14 May 2025). The shareholders' meeting of Fideuram Vita on 20 June 2025 approved the Demerger Plan and the related capital increase, as well as the amendment to the articles of association. The capital increase was completed on 1 October 2025, changing the shareholding structure of Fideuram Vita, which is now 77.5% held by Intesa Sanpaolo, 19.4% by Fideuram - Intesa Sanpaolo Private Banking, and the remaining 3.1% by Intesa Sanpaolo Assicurazioni.
Because Fideuram Vita acquired control of a specific business unit (consisting of an insurance portfolio and additional legal relationships, assets and liabilities), the demerger qualified as a business combination in accordance with IFRS 3, with the consequent line-by-line consolidation of the acquired unit from the acquisition date and the simultaneous derecognition of the equity investment in Cronos Vita Assicurazioni. The Purchase Price Allocation (PPA) process was finally completed in the fourth quarter.

The *Shareholders' Meeting of Intesa Sanpaolo* was held on 29 April 2025. The Meeting was validly constituted, on single call, to pass resolutions as those in attendance through the appointed representative (in accordance with Article 106, paragraph 4, of Decree Law no. 18 dated 17 March 2020 converted by Law no. 27 dated 24 April 2020, the effects of which were extended by Law no. 15 dated 21 February 2025) counted 4,356 holders of voting rights attached to 10,867,347,981 ordinary shares without nominal value representing 61.03993% of the share capital. The Shareholders' Meeting voted in favour of all the items on the agenda (see the press release published on the Group's official website, for details of the individual resolutions and the respective majorities of votes).
In the ordinary part, the resolutions concerned:

– *the approval of the 2024 financial statements of the Parent Company Intesa Sanpaolo and the allocation of the net income for the year with the distribution to shareholders of a dividend and part of the Share premium reserve.* The cash distribution to shareholders of a remaining amount of 3,044,427,655.67 euro (corresponding to 17.10 euro cents for each of the 17,803,670,501 ordinary shares) was approved, of which 2,252,164,318.38 euro as dividends from the net income for the year (corresponding to 12.65 euro cents per share) and 792,263,337.29 euro as assignment of reserves drawn on the Share premium reserve (corresponding to 4.45 euro cents per share). The dividend distribution took place from 21 May 2025 (with coupon presentation on 19 May and record date on 20 May). The remaining dividend paid amounted to 3,042,652,586.92 euro, net of 1,775,068.75 euro, relating to the 10,380,519 own shares held by the Bank at the record date, which was allocated to the Extraordinary Reserve. Also taking into account the interim dividend paid in November 2024, amounting to 3,022,396,312.63 euro[11], corresponding to 17 euro cents per share, the total interim and remaining dividends distributed for the year 2024 amounted to 6,065,048,899.55 euro, corresponding to a 70% payout of the consolidated net income;
– *the determination of the number of Board Directors for the financial years 2025/2026/2027, the appointment of Board Directors and members of the Management Control Committee for the financial years 2025/2026/2027, on the basis of slates of candidates submitted by shareholders, and the election of the Chair and one or more Deputy Chairs of the Board of Directors for the financial years 2025/2026/2027.* The Shareholders' Meeting set the number of Board Directors at 19, appointing them based on the votes received from the two slates presented and in compliance with regulatory provisions concerning gender balance, and appointed Gian Maria Gros-Pietro as Chair and Paola Tagliavini as Deputy Chair;
– *the remuneration policies and incentive plans*. In particular, the Shareholders' Meeting (i) approved the remuneration policies in respect of Board Directors in accordance with the terms described in Section I, point 2 of the Report on remuneration policy and compensation paid; (ii) set the gross annual remuneration of Board Directors for the entire term of office, pursuant to Articles 16.2 and 16.3 of the Articles of Association; (iii) approved the remuneration and incentive policies for 2025, and the procedures used to adopt and implement them, as described respectively in chapters 4 and 1 of Section I of the above-mentioned Report; (iv) passed a resolution agreeing on the disclosure on compensation paid in the financial year 2024, as described in Section II of the same Report; and (v) approved the 2025 Annual Incentive Plan, which involves the use of Intesa Sanpaolo ordinary shares to be purchased on the market;
– *authorisation to purchase own shares for annulment with no reduction of the share capital.* More specifically, the Shareholders' Meeting authorised: (i) the purchase, even partially and/or in tranches, of Intesa Sanpaolo shares for a maximum overall outlay of 2 billion euro and not exceeding 1,000,000,000 shares – in line with the authorisation in this

[11] Interim dividends are considered net of the portion not distributed to the 24,868,662 own shares held by the Bank at the record date, amounting to 4,227,672.54 euro.

regard received from the European Central Bank – with execution by 24 October 2025; (ii) the Board of Directors to carry out the purchases at a price to be identified from time to time, subject to the condition that the purchase price may not be more than 10% below or above the reference price of the Intesa Sanpaolo shares registered on the regulated market Euronext Milan managed by Borsa Italiana S.p.A. the day before the execution of each individual purchase, through transactions to be carried out in line with the provisions of Article 132 of the Consolidated Law on Finance, Article 144-bis, paragraph 1, letter b) of the Issuers' Regulation and with any other legislative and regulatory provisions (including the regulations and other rules of the European Union) applicable and in force from time to time; and (iii) the Board of Directors, which may delegate this power to the Managing Director and CEO, to carry out the purchases using the Extraordinary Reserve and/or the Share Premium Reserve;

– *the authorisation to purchase and dispose of own shares to serve the incentive plans and for trading purposes.*

In the extraordinary part, the Shareholders' Meeting approved the proposal to annul Intesa Sanpaolo's own shares purchased and held by the Company by virtue of the authorisation from the Shareholders' Meeting in the ordinary part, delegating the Board of Directors – with the option of sub-delegating the Chair and the Managing Director and CEO, jointly or severally – to execute the annulment, in one or more tranches, by 24 October 2025 and to update Article 5 of the Articles of Association accordingly. With regard to the statutory changes approved by the Shareholders' Meeting, the required authorisation was issued on 5 March 2025 by the Supervisory Authority.

At its first meeting held on 29 April, the new Board of Directors of Intesa Sanpaolo unanimously appointed Carlo Messina as Managing Director and CEO, conferring on him the powers necessary and appropriate to ensure consistent management of the Company.
On 6 May 2025 the Board, with a unanimous resolution – without the participation of the members involved – established the Nomination Committee, the Remuneration Committee, the Risks and Sustainability Committee, the Committee for Transactions with Related Parties, and the Governance Committee as internal committees, whose powers and responsibilities are in accordance with the provisions of the Articles of Association and supervisory regulations in force. The names of the members and the related information are available in the Governance section, Committees of the Board of Directors, of the Group's website.

During the second quarter, the programme of purchase of own shares for annulment (buyback), approved by the above-described Shareholders' Meeting of Intesa Sanpaolo of 29 April 2025, was launched and subsequently completed.
The programme, which had started on 2 June, ended on 17 October 2025[12]. During the period, a total of 390,280,888 shares were purchased, equal to around 2.19% of the share capital, at an average purchase price of 5.1245 euro per share, for a total amount of 1,999,999,997.95 euro.
The transactions took place on the regulated market Euronext Milan managed by Borsa Italiana through the third-party intermediary appointed to execute the programme, in full independence and without any involvement of the Intesa Sanpaolo Group, in accordance with the terms and conditions approved by the Shareholders' Meeting of 29 April 2025.
The annulment of the shares took place on 22 October 2025. While the share capital remained unchanged at 10,368,870,930.08 euro, the number of ordinary shares without nominal value decreased from 17,803,670,501 to 17,413,389,613.
The Articles of Association amended to reflect said annulment were respectively filed and recorded in the Turin Company Register on 27 and 29 October 2025.

In the days from 8 September to 15 September 2025 an *Intesa Sanpaolo ordinary share buyback programme was also implemented to service plans for the assignment of shares, free of charge, to the employees and the Financial Advisors of the Group*, in relation to (i) mainly, the Intesa Sanpaolo Group share-based incentive system for 2024 and to a lesser extent, the incentive systems of certain subsidiaries (Intesa Sanpaolo Private Banking, for the network in Italy, and Fideuram - Intesa Sanpaolo Private Banking Group for the Relationship Managers of the international commercial networks and non-employee Financial Advisors), also relating to 2024; and (ii) for a smaller proportion, the completion of the implementation of the 2023 Incentive Plans of the Intesa Sanpaolo Group and its subsidiaries mentioned above.
These incentive systems are reserved for Risk Takers who accrue a bonus in excess of the so called "materiality threshold"[13], for those who are paid a "particularly high" amount[14] and for those who, among Middle Managers or Professionals that are not Risk Takers, accrue a bonus exceeding both the so called "materiality threshold"[15] and 100% of the fixed remuneration. In addition, the programme was implemented in order to grant, when certain conditions occur, severance payments upon early termination of employment.
Intesa Sanpaolo carried out the purchases according to the methods and within the terms authorised by the Shareholders' Meeting of 29 April 2025, also on behalf of the subsidiaries that had approved similar programmes on the ordinary shares of the Parent Company. In the six days during which the programme was executed, a total of 23,800,000 Intesa Sanpaolo ordinary shares (of which 17,400,000 shares to service the 2024 Plans as well as any severance payments due, and 6,400,000 shares to service the 2023 Plans), representing around 0.13% of the share capital, were purchased through the IMI Corporate & Investment Banking Division, tasked with executing the programme, at an average price of 5.4349 euro per share, for a total amount of 129,350,330.52 euro. The Parent Company purchased 16,545,236 shares at an average price of 5.4347 euro per share, for a total amount of 89,918,725.76 euro.

[12] The purchases were suspended during the days (from 8 to 15 September 2025) of execution of the share buyback programme relating to plans of assignment, free of charge, of Intesa Sanpaolo ordinary shares to the employees and the financial advisors of the Group.

[13] Equal to 50 thousand euro or one third of the total remuneration (unless otherwise provided for by specific local regulations).

[14] Pursuant to the Group Remuneration and Incentive Policies, for the three-year period 2022-2024 a variable remuneration exceeding 400 thousand euro constitutes a "particularly high" amount.

[15] Pursuant to the Group Remuneration and Incentive Policies, for Middle Managers and Professionals who are not Risk Takers, the materiality threshold is generally equal to 80 thousand euro (unless otherwise provided for by specific local regulations). This threshold is increased to 150 thousand euro in order to significantly reduce the potential competitive disadvantage in the attraction and the retention of the best staff members in countries other than the Group's domestic market and in businesses in which there is a high competitive pressure on the staff (i.e. high cost of living, intense compensation dynamics and high resignation rate) and, outside the EU, in which the regulatory framework concerning the materiality threshold is less strict (or absent).

The transactions were executed in compliance with provisions included in Articles 2357 et seq., and 2359-bis et seq. of the Italian Civil Code, within the limits set in the resolutions passed by the competent corporate bodies.
Pursuant to Article 132 of the Consolidated Law on Finance and Article 144-bis, paragraph 1, letter b) of the Issuers' Regulation and subsequent amendments, purchases were executed on the regulated market Euronext Milan managed by Borsa Italiana in accordance with trading methods laid down in the market rules for these transactions.
The execution procedures also complied with the conditions and restrictions under Article 5 of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014, and Articles 2, 3 and 4 of the Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016, and subsequent amendments pursuant to Regulation (EU) 2024/2809 of the European Parliament and of the Council of 23 October 2024.
The number of shares purchased daily did not exceed 25% of the daily average volume of the Intesa Sanpaolo ordinary shares traded in August 2025, which was equal to 53.7 million shares, as well as the additional limit, to the above-mentioned regulatory conditions and restrictions, of 15% of the volume traded on the Euronext Milan market on each of the days when purchases were executed.
Note that, pursuant to Article 2357-ter of the Italian Civil Code, the Intesa Sanpaolo Shareholders' Meeting authorised the disposal on the regulated market of own ordinary shares exceeding the actual requirement, under the same conditions as those applied to the purchases, and at a price of no less than the reference price recorded by the share in the stock market session on the day prior to each single disposal transaction, less 10%. Alternatively, these shares may be retained for any different incentive plans and/or remuneration payable upon early termination of employment relationship (Severance).

Following an assessment process launched in 2024, aimed at optimising the business providing integrated solutions for the custody, administration and management of financial assets (Custody) for institutional investors – both third-party or Group companies – on 31 October 2025, effective from 1 November, *Intesa Sanpaolo completed the disposal to State Street Bank International GmbH*, already a long-standing strategic partner of the Intesa Sanpaolo Group in securities services, of an IT business line supporting the custody operations, including the dedicated applications and IT resources. The sale had been approved by the Parent Company's Board of Directors on 27 March 2025, with the signing of the binding agreements on 11 May. At the same time as the disposal, an outsourcing contract was signed for a maximum term of 15 years, for the provision by the purchaser of IT and back-office services supporting Intesa Sanpaolo's custody operations.

On 31 October 2025, Intesa Sanpaolo also announced that it had received notification of the ECB's final decision concerning the *capital requirement that the Bank has to meet, on a consolidated basis, as of 1 January 2026*, following the results of the Supervisory Review and Evaluation Process (SREP). The overall capital requirement to be met in terms of Common Equity Tier 1 ratio is 9.97%. This is the result of:

– a SREP requirement in terms of Total Capital ratio of 9.65% comprising a minimum Pillar 1 capital requirement of 8%, of which 4.5% is Common Equity Tier 1 ratio, and an additional Pillar 2 capital requirement of 1.65%, of which 0.93% is Common Equity Tier 1 ratio applying the regulatory amendment introduced by the ECB and effective from 12 March 2020;
– additional requirements, entirely in terms of Common Equity Tier 1 ratio, relating to:
  - a Capital Conservation Buffer of 2.5%,
  - an O-SII Buffer (Other Systemically Important Institutions Buffer) of 1.25%,
  - a Countercyclical Capital Buffer of 0.36%[16],
  - Systemic Risk Buffer of 0.43%[17].

On 26 November 2025 (with coupon presentation on 24 November and record date on 25 November), interim dividends were paid out from 2025 results, as resolved by the Intesa Sanpaolo Board of Directors on 31 October 2025, in compliance with the provisions set out in Article 2433-bis, paragraph 4 of the Italian Civil Code. The interim dividend of 18.60 euro cents per share was paid on the 17,386,262,670 ordinary shares outstanding on the record date for a total of 3,233,844,856.62 euro (net of an undistributed amount of 5,045,611.40 euro relating to 27,126,943 own shares held at the record date).

The merger by *incorporation of the Luxembourg-based management company Eurizon Capital S.A. into its wholly owned parent company Eurizon Capital SGR,* in accordance with the deed signed on 20 November 2025, became legally effective on 1 December 2025, with accounting and tax effects starting on the same date. The merger was approved by the extraordinary shareholders' meetings of Eurizon Capital SGR on 3 November 2025[18] and of Eurizon Capital S.A. on the same day. The merger, which received the non-objection notification from the Commission de Surveillance du Secteur Financier (CSSF) on 18 September and the authorisation from the Bank of Italy on 29 September 2025, had previously been approved by the Board of Directors of Intesa Sanpaolo on 22 May, adding to the Group's corporate streamlining operations already authorised by the Parent Company at its meeting of 27 March.
The combination led to the closure of the branches of the merged company and the simultaneous opening of new branches by the absorbing company in Luxembourg, Paris, Madrid and Frankfurt to ensure continuity in the management of customer relations, products and employees. The combination is expected to generate benefits in terms of (i) simplification of the corporate and organisational structure of the Asset Management Division, (ii) unified operational control and direct management by Eurizon Capital SGR of the risk profile of the Luxembourg-based operations, and (iii) cost synergies.

On 16 December 2025, the Board of Directors of Intesa Sanpaolo, after receiving the favourable opinion of the Committee for transactions with related parties, granted approval to Fideuram - Intesa Sanpaolo Private Banking to *purchase the shares of*

[16] Calculated taking into account the exposure as at 31 December 2025 in the various countries where the Group has a presence, as well as the respective requirements set by the competent national authorities and relating to 2027, where available, or the most recent update of the reference period (requirement was set at zero per cent in Italy for 2025 and for the first quarter of 2026).

[17] Calculated taking into account the exposure as at 31 December 2025 to residents in Italy.

[18] In addition, and unrelated to the merger, the above-mentioned Shareholders' Meeting of Eurizon Capital SGR resolved to amend Article 3 of its Articles of Association to extend the company's duration until 2100, aligning it with that of the Parent Company. This amendment took effect from 1 January 2026.

Reyl & Cie S.A. held by the minority shareholders (24%), with the aim of achieving total control of the Swiss bank and further accelerating the Group's expansion in Switzerland.
Following the approval on 18 December 2025 by the Board of Directors of Fideuram - Intesa Sanpaolo Private Banking, with the favourable opinion of its Committee for transactions with related parties, and the authorisation by FINMA (the Swiss regulator) on 30 December 2025, the purchase of 21% of the Reyl & Cie S.A. shares held by Reyl Holding S.A. was completed on 16 January 2026. The purchase of the remaining 3% held by three private shareholders took place on 30 January 2026. As a result, the direct holding of Fideuram - Intesa Sanpaolo Private Banking increased from 46% to 70%, in addition to the 30% indirect holding through the wholly-owned subsidiary RB Participations S.A.

With regard to the *restructuring transaction for Banca Progetto,* on 28 January 2026, Intesa Sanpaolo, together with the National Interbank Deposit Guarantee Fund, Banca Monte dei Paschi di Siena, Banco BPM, BPER Banca, UniCredit and Banca Progetto under extraordinary administration, executed a new binding term sheet for the completion of the transaction. The transaction, qualifying as a preventive measure pursuant to Article 35 of the Statute of the National Interbank Deposit Guarantee Fund, consists of the following main steps: i) participation by the Fund and the five banks in the de-risking of Banca Progetto's assets, with the provision of guarantees by the Fund; ii) recapitalisation of Banca Progetto by the Fund for a total of 750 million euro, partly as an advance for a future capital increase; and iii) subsequent sale by the Fund to the five banks (through a company equally owned by them) of the capital stake in Banca Progetto subscribed by the Fund, with an investment of 40 million euro, with the Fund retaining a stake not exceeding 9.9%. The resources for the recapitalisation of Banca Progetto and for the potential activation of guarantees will be drawn from the Fund's financial resources established through the contributions of the member banks.

With regard to the changes introduced by Law No. 199 of 30 December 2025 (2026 Budget Act) to the rules governing the "*One-off tax calculated on the increase in net interest income" established by Article 26 of Decree Law No. 104 of 10 August 2023, converted, with amendments, by Law No. 136 of 9 October 2023*, the following is noted.
This provision had introduced a tax on the increase in net interest income recorded by banks in 2023 compared with 2021, granting the option, instead of paying the tax, of allocating an amount to a specific non-distributable reserve of not less than two and a half times the tax due. In exercising this option, the banks of the Intesa Sanpaolo Group subject to this legislation resolved – at the time of approval of the 2023 Financial statements and allocation of the net income for that year – to allocate a total of 2,068.8 million euro to the above-mentioned non-distributable reserve (of which 1,991.4 million euro related to the Parent Company), equal to 2.5 times the total tax of 827.5 million euro.
In summary, the 2026 Budget Act established:

- that, irrespective of the resolution of the shareholders' meeting, distributions of dividends or reserves by Italian banks starting from the financial year beginning after 1 January 2028 (therefore from 1 January 2029) shall be deemed to be made prioritising the use of the above-mentioned reserve, resulting in the obligation to pay the tax at a rate of 40%, plus interest calculated from 30 June 2024;
- the option, until 31 December 2028, to make the reserve subject to a one-off levy at the following rates:
  - 27.5% for the existing reserve in the financial statements as at 31 December 2025;
  - 33% for the existing reserve in the financial statements as at 31 December 2026.

From an accounting perspective, the provisions of the 2026 Budget Act represent a new liability, separate from the previous one, which was extinguished through the establishment of the reserve. The liability introduced by the 2026 Budget Act must therefore be understood as a new and separate liability from the previous one, the purpose of which is considered to be aimed at providing for the payment of an equity contribution resulting from future distributions of dividends or reserves starting from the year 2029. In the absence of specific provisions under the IAS/IFRS[19], in accordance with the guidance in IAS 8, the Group decided to refer to IAS 12 which, in paragraph 61A, requires that taxation be recognised consistently with the item on which the tax is calculated.
Based on the above, at its meeting held on 2 February 2026, the Board of Directors of Intesa Sanpaolo resolved (i) to exercise the option to pay the one-off levy at a rate of 27.5% of the "Net income reserve pursuant to Law 136 of 9/10/2023", by allocating the corresponding amount of 547.6 million euro to the Share premium reserve, with an offsetting entry in "Current tax liabilities" in the Financial statements as at 31 December 2025, and (ii) to propose to the Shareholders' Meeting approving the 2025 Financial statements the approval of that allocation to the Share premium reserve, together with the allocation – effective from the payment of the aforementioned levy in the income tax return for the tax period in relation to which it is applied – of the entire amount recorded in the "Net income reserve pursuant to Law 136 of 9/10/2023" to the Extraordinary reserve, with consequent elimination of the "Net income reserve pursuant to Law 136 of 9/10/2023", because it is freed from any obligations.
Under instruction from the Parent Company, similar resolutions regarding the exercise of the option to pay the one-off levy were also adopted by the Boards of Directors of the subsidiary banks concerned by the measure: Fideuram - Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Banking and Isybank, for a total one-off Group levy of around 570 million euro.

On 2 February 2026, at the meeting held for the approval of the Parent company and consolidated results as at 31 December 2025, the Board of Directors of Intesa Sanpaolo:

- resolved to submit a proposal to the Ordinary Shareholders' Meeting of 30 April 2026 for a *purchase of own shares for annulment (buyback)* for 2.3 billion euro, already authorised by the ECB, to be launched in July 2026, subject to approval of the Shareholders' Meeting;
- approved the *2026-2029 Business Plan*, which was presented to the financial community on the same day. The Plan is briefly described in a specific section below and the related documents (press release and presentation) are available on the Group's website, in the Investor Relations section;
- in order to enhance the Group employees' role as key enablers in the achievement of the Plan's objectives, also resolved to propose at the Shareholders' Meeting of 30 April 2026 (i) capital increases to serve two *2026-2029 long-term incentive*

[19] This case is not considered to fall within:
– the scope of IFRIC 21 "Levies", since payment of the charge within the year 2028 would result from an autonomous decision of the bank, taken within its own powers, and would therefore not constitute a levy imposed by the general government; or
– the scope of IAS 12 "Income Taxes", as it does not represent a tax on income.

plans, based on financial instruments of Intesa Sanpaolo S.p.A. and reserved for all Group employees, as well as (ii) an update of the maximum number of shares as provided in the delegation of powers granted to the Board of Directors on 29 April 2022 by the Extraordinary Shareholders' Meeting to carry out a share capital increase without payment to serve the *2022-2025 Performance Share Plan* long-term incentive plan based on financial instruments.
The following long-term incentive plans were approved:

- the 2026-2029 Performance Share Plan, reserved for Risk Takers and Middle Managers, which provides for the assignment of Performance Shares, that is Intesa Sanpaolo ordinary shares subject to the achievement of specific performance conditions over the period of the Plan. The shares, up to a maximum of 62,000,000, will be issued against a share capital increase without payment;
- the *2026-2029 Leveraged Employee Co-Investment Plan (2026-2029 LECOIP),* reserved for all the other Group employees in Italy, which provides for (i) the assignment of newly issued ordinary shares of Intesa Sanpaolo deriving from a share capital increase without payment, and (ii) the opportunity to subscribe to an Investment Plan in a certain proportion to the number of shares received free of charge. This plan is based on newly issued Intesa Sanpaolo ordinary shares deriving from a capital increase reserved for employees, at a discounted issue price compared with market value. Assuming all employees subscribe to the 2026-2029 LECOIP, the maximum number of ordinary shares to be issued in the share capital increase without payment and in the share capital increase with payment is equal to 246,000,000 (76,000,000 and 170,000,000, respectively).

With regard to the 2022-2025 Performance Share Plan, the update of the maximum number of ordinary shares to be issued in the share capital increase without payment to serve the 2022-2025 Plan results in the issuance of maximum 40,000,000 shares, in addition to the amount resolved by the Extraordinary Shareholders' Meeting in 2022.
The share capital increases to serve the incentive plans are subject to the authorisations being received from the competent authorities.

For completeness of disclosure, the following should also be noted.

On 1 August 2025, the results of the 2025 EU-Wide Stress Test were announced. The test was conducted by the European Banking Authority (EBA), in cooperation with the Single Supervisory Mechanism (SSM), the Bank of Italy, the European Central Bank (ECB) and the European Systemic Risk Board (ESRB) and involved also Intesa Sanpaolo for the scope of consolidation. The reference scenario covered a three-year horizon (2025-2027). The stress test was carried out applying a static balance sheet assumption as of December 2024 and therefore did not take into account future business strategies and management actions. It is not a forecast of the Intesa Sanpaolo Group's profits.
The Intesa Sanpaolo Group fully loaded CET1 ratio resulting from the stress test for 2027, the final year considered in the exercise, stood at 13.95% under the baseline scenario and 11.78% under the adverse scenario, compared to 12.40% restated consistently for CRR3 (former effective 13.26%) on 31 December 2024. These results highlight that Intesa Sanpaolo is able to confirm its solidity even in complex scenarios, thanks to its well-diversified and resilient business model.
On 4 December 2025, Intesa Sanpaolo noted the announcements made by the European Banking Authority regarding the information of the 2025 EU-wide Transparency Exercise, conducted annually on the basis of the decision of the EBA Board of Supervisors and published along with the Risk Assessment Report (RAR). The exercise, based solely on COREP/FINREP data, involved 119 banks from 25 countries of the European Union and the European Economic Area. The templates were centrally filled in by the EBA and sent afterwards for verification by banks and supervisors. Banks had the chance to correct any errors detected and to resubmit correct data through the regular supervisory reporting channels, and to add specific information as required to further clarify individual data.

With regard to the situation affecting the *Milan real estate sector* following investigations initiated by the Public Prosecutor's Office of the Court of Milan, as reported by the national press in late July, in September the Court of Review annulled the interim measures against the main suspects. Intesa Sanpaolo is monitoring developments, also in order to assess possible implications for commercial relations with the sector.

The *voluntary exits plan* in accordance with the Trade Union Agreement of 23 October 2024 was initiated on 1 January 2025[20]. During the year, the voluntary exits totalled 2,534 (76 in the fourth quarter, 492 in the third quarter, of which 454 effective from 1 July, 67 in the second quarter, and 1,899 in the first quarter, of which 966 effective from 1 January), against the 4,000 planned by the end of 2027. A further 375 exits took place with effect from 1 January 2026.
In 2025, the hires connected to the provisions of that agreement totalled 1,290 (of which 740 as Global Advisors for the Network commercial activities), with a target of 3,500 (of which 1,500 Global Advisors) by the first half of 2028.
With regard to the actions on natural turnover also announced to the market on 23 October 2024, at the end of 2025 there had been around 850 exits in Italy (3,000 envisaged by 2027, of which 1,000 by 2025) and around 800 net exits for the head office structures of the international banks (2,000 net exits envisaged by 2027, of which 500 by 2025).
The following were provided for through an additional Agreement with the Trade Unions, signed on 10 December 2025:

- for around 450 employees still in service who had joined the 2024 Agreement, voluntary exit through access to the Solidarity Fund on 31 January 2026, or 28 February 2026 for part-time employees, with a total of 378 voluntary exits already completed by the end of January 2026;
- the willingness to allow new incentivised retirements for employees who had already met the eligibility requirements at the date of the Agreement or who will become eligible by 31 December 2026 and who had not joined the 2024 Agreement, with exits starting from 28 February 2026. Around 140 employees have signed up. In relation to the exits due to new retirements, new hires will be made with the same care and in the same proportions established by the Agreement of 23 October 2024, with particular attention to women victims of violence included in the "protection programmes" under Article 1 of the National Protocol for the Banking Industry of 24 November 2025.

[20] The remaining exits and hires of the plan established with the Trade Union Agreement of 16 November 2021 were also completed on 31 March 2025, while the plan for hires and exits resulting from the 2020 Agreement had been completed in 2024.

On 24 December 2025, Intesa Sanpaolo and the Group Trade Union Delegations reached an agreement on certain aspects of the *Group Second-Level Collective Agreement*, identifying the regulatory framework that will apply to the Group's employees from 1 January 2026 to 31 December 2029.
While maintaining the structured system of measures already implemented over time for the Group's employees and their families, significant new initiatives have been introduced aimed at supporting work-life balance – with particular attention to the needs of parents and caregivers, and with the goal of fostering cohesion and solidarity among generations within the company – as well as regarding supplementary pension schemes and meal vouchers. The remaining aspects that make up the Second-Level Collective Agreement will be discussed by the first half of 2026.

With regard to the *Next Way of Working project* – aimed at implementing a new working model based on strengthening individual responsibility and improving work-life balance – in this last year of the 2022-2025 Business Plan, further real estate and technological interventions were completed, aimed at constructing new workspaces designed to enhance the moments of presence in the office.
In 2025, the work was completed at the Cuneo office in Via Teatro Toselli, which was initiated in the first quarter, and at the Florence, Forlì, and Venice-Mestre offices, which were initiated in July. In the last three months of the year, the improvements in Via del Corso in Rome were also completed, finishing the redesign of the workspaces at that site as part of the Next Way of Working initiative. As always, the extension of the model was accompanied by the implementation of technological tools (release of the space booking function in the planning and reservation tool), together with specific targeted communication campaigns.
Under the Next Way of Working initiative, the implementation continued of the plan to expand alternative workspaces to the main office (Flexible Working HUB), with new bookable workstations being progressively made available to staff in the Network and governance structures authorised for flexible work. At the end of 2025, the number of these workstations had risen to over 1,400 (from around 1,200 at the beginning of the year), strengthening their presence across all the Italian regions.
At the end of the 2022-2025 Business Plan, the Next Way of Working project can be considered completed, having achieved the goals set. The model introduced is now firmly embedded and represents the guiding framework for the organisation of work and the development of company spaces, integrated into the ordinary real estate planning and management processes.

Lastly, as part of the Energy Management strategies, and in particular as part of the initiatives aimed at improving ESG performance, during August 2025 and the Christmas period (24 December 2025 - 5 January 2026), continuing on from the successful trials in previous years, several head offices were temporarily closed, with other company spaces in nearby areas made available, by reservation, to ensure the possibility of working on-site during the closure period, as an alternative to voluntary remote working.

The 2022-2025 Business Plan and the new 2026-2029 Plan

The 2022-2025 Business Plan

The 2022-2025 Business Plan set out a strategy based on four fundamental pillars of the Plan and implemented thanks to the quality of the Bank's People:
– massive upfront de-risking, slashing cost of risk;
– structural cost reduction enabled by technology;
– growth in commissions, driven by Wealth Management, Protection & Advisory;
– significant ESG commitment, with world-class positioning in social impact and strong focus on climate.

The targets set in the Business Plan have been achieved, and in some cases exceeded, confirming the Intesa Sanpaolo Group's ability to generate sustainable profitability even in complex environments.
In relation to the Group's strong commitment to ESG, the following information is provided in line with previous years, some of which is also presented in the Consolidated Sustainability Statement, included in this Report, where further details can be found.

Massive upfront de-risking, slashing Cost of risk
In the first half of the year, the Intesa Sanpaolo Group achieved a further improvement in asset quality, both through credit risk transfers and capital efficiency initiatives, leading to a reduction of 7.7 billion euro in the stock of gross non-performing loans since the start of the Plan, with gross and net NPL ratios, calculated according to the EBA methodology, of 1.5% and 0.8% respectively in 2025.
During the year, the Balance Sheet Optimisation (BSO) unit has continued to expand its credit risk coverage schemes for optimising capital absorption, reporting an outstanding volume of synthetic securitisations included in the GARC (Gestione Attiva Rischio di Credito – Active Credit Risk Management) Programme of around 35 billion euro. Several new synthetic securitisations were completed during the year, details of which are provided in the Notes to the Consolidated Financial Statements, Part E – Information on risks and relative hedging policies, Credit risk, Securitisations.
The capital efficiency initiatives were also further strengthened and the scope of application of the lending strategy was extended to ESG criteria, by directing 31 billion euro of new loans from the beginning of 2025 to more sustainable economic sectors with the best risk/return profile.
The introduction of a Sectoral Framework, which assesses the forward-looking profile of each economic sector on a quarterly basis across different countries, has allowed the Group to enhance its credit assessment capabilities, with the aim of evolving the main credit processes (granting and proactive management) by adding sectoral information. The effectiveness of the credit decisions and action plans is enhanced by the approval of a sectoral view by a specialised managerial committee, which feeds into all the credit processes.
With regard to the proactive management of other risks, anti-fraud cybersecurity protection has been extended to new products and services for retail customers, also through the use of Artificial Intelligence solutions. Open Source Intelligence solutions have also been adopted to enhance the ability to respond to cyber threats and increase the protection from cyber attacks (in relation to detection and recovery) and internal awareness of threats of this kind, such as phishing. Under the EBA Clearing "Fraud Pattern and Anomaly Detection" (FPAD) project, Intesa Sanpaolo is one of the first European banks to incorporate the risk score established by the EBA into its anti-fraud system for corporate transactions (bank transfers and instant payments).
Significant attention has also been given to improving security in "identity and access management" both for employees and customers. Employees have been provided increased protection both for remote access to applications and for on-site company workstations, through the implementation of multi-factor authentication, while customers have benefited from an improved level of security in digital services, aided by the adoption of advanced solutions and technologies for the remote biometric recognition of users, which has also enhanced the user experience.
In 2022, the Bank established the Anti-Financial Crime Digital Hub (AFC Digital Hub), a national and international centre also open to other financial institutions and intermediaries in the industry, aimed at combating money laundering and terrorism by means of increasingly advanced technologies. The aim of the centre is to use new technologies and Artificial Intelligence to create a public-private collaboration model which promotes the introduction of innovation in business processes through applied research.
The compliance control framework for Artificial Intelligence systems has been developed to ensure ethical usage and compliance with the European Regulations (AI Act). Intesa Sanpaolo was also recognised as the best bank in the "European Issuer of the Year" category at the 2025 Structured Credit Investors (SCI) Risk Sharing Awards, confirming its leading role in active credit portfolio management.
In 2025, a Memorandum of Understanding was signed between the Carabinieri Police and Intesa Sanpaolo aimed at promoting the prevention and combatting of financial fraud. The goal of the collaboration is to implement initiatives to increase the security of branch staff, in addition to preventing and combatting financial fraud affecting the elderly and individuals in situations of hardship, fragility and vulnerability, and organising targeted training and information programmes. The synergy with the Carabinieri Police further strengthens the Group's commitment to the security of its customers across online and physical channels.

With regard to the credit de-risking initiatives, the true sale was completed on 24 March 2025 of a portfolio of bad loans of Intesa Sanpaolo with a GBV (Gross Book Value) of 0.3 billion euro, which had been classified under assets held for sale in December 2024.
During the second quarter, new projects were initiated involving loan portfolios of Intesa Sanpaolo amounting to a total of 0.2 billion euro gross. The first of these projects, consisting of the true sale of a portfolio of personal loans and consumer credit classified as bad loans and UTP (Unlikely To Pay) with a GBV of 0.1 billion euro, was completed on 28 July 2025. Instead, the second, involving the transfer to a fund of a portfolio of Corporate/SME loans, mainly UTP, with a GBV of 0.1 billion euro, was completed on 20 October 2025.

On 15 December, the true sale was completed of two Intesa Sanpaolo portfolios for a total GBV of 0.5 billion euro, of which 0.1 billion euro consisting of unlikely-to-pay loans and 0.4 billion euro relating to mixed exposures classified as bad loans and unlikely-to-pay loans.
New projects were also undertaken during the last quarter, with completion expected in 2026. One of these consists of the true sale of a portfolio of bad loans of Intesa Sanpaolo with a GBV of over 0.4 billion euro, while another concerns a more complex de-risking measure to be completed through the structuring of specific transactions involving non-performing loans for the Parent Company classified as bad loans and unlikely-to-pay loans, for a total GBV of 1.5 billion euro. Since the conditions of IFRS 5 had been met, at the end of 2025 these portfolios were reclassified as assets held for sale.
Lastly, during 2025, sales of single name non-performing exposures of Intesa Sanpaolo were carried out for a total GBV of around 0.3 billion euro in addition to sales of non-performing loans of the international banks for a GBV of 0.1 billion euro.

Structural Cost reduction, enabled by technology

Over the years, Intesa Sanpaolo has undergone a profound digital transformation, driven by continuous strategic investments in technology, with a strong focus on customer relationship management, which has enabled the streamlining of the retail network and the real estate in Italy. Since the fourth quarter of 2021, a total of 1,502 retail branches have been closed (of which 312 in 2025) and around 866,000 square metres of owned or leased property have been released (of which around 153,000 in 2025), while 242 owned properties have been sold since the beginning of the Plan for a value of around 171 million euro.
The Group's new digital bank, Isybank, was launched in 2023 and plays a key role in Intesa Sanpaolo's customer service model and digital development strategy. Its creation is aimed at further strengthening the Group's competitive advantage in cost management and achieving leadership in Europe in operational efficiency and customer service innovation. In 2025, the release of the new omnichannel products was completed to increase Isybank's digital offering in respect of loans, protection and investments.
The development of isytech, the new cloud-native digital platform and technology infrastructure of Isybank, which is being extended to the entire Group, is also continuing. At the end of 2025, the progress of the isytech adoption at the Parent Company was in line with the plan, which targets completion in 2026, both for the areas being redesigned in the cloud (i.e. Apps, Loans, Current Accounts, Payments, Investments and Data) and for the necessary adjustments to the remaining applications. New products dedicated to Intesa Sanpaolo customers have also been launched on the isytech platform.
Artificial Intelligence has now clearly established its self as a strategic enabler and provides the foundation for Intesa Sanpaolo's strategy for improving risk management, enhancing operational efficiency, and creating new business opportunities through targeted investments. In particular:

- AIxeleration programme, which, by the end of 2025, had developed 153 use cases (49 in 2025) supporting the business and governance areas (exceeding the target of 150 use cases over the Plan period) and involves approximately 300 staff dedicated to the development of AI use cases supporting Business, Planning and Control, Compliance, Risk Management, and HR processes;
- adoption of a conscious approach to AI ("Responsible AI") through the definition of risk-based rules and operational processes which will enable the Group to adopt AI solutions safely and responsibly, including those that address Fairness, Explainability, Data Quality and Human Oversight;
- full operational launch of the AI Lab in Turin;
- advancement of the digitisation strategy for E2E (End-to-End) processes using both Process Intelligent Automation (e.g. with Artificial Intelligence and/or Robotic Process Automation) and traditional re-engineering methods, with the release of new digital solutions for customer onboarding processes;
- digitisation projects in Artificial Intelligence and Digital Ledger Technology initiated by Eurizon.

The numerous other technological initiatives pursued by the Group since the beginning of the Plan include the:

- hiring of around 2,430 people in the technology area;
- establishment of the new digital platform for analytical cost management, which uses integrated advanced analytics and benchmarking techniques and has led to the identification of 50 cost efficiency initiatives;
- modernisation of technology solutions in the International Branches, in particular with regard to the improvement of the customer experience and the Originate to Share and data management solutions;
- start, in line with the SkyRocket plan (a cloud solution enabled by the partnership with Google Cloud and TIM), of the operations of the new Cloud Region in Turin, adding to the one in Milan. In 2025, the Plan target for the migration of the cloud ready applications to the SkyRocket Cloud infrastructure in Turin and Milan was achieved and exceeded;
- launch of the new core banking system in Egypt, with the alignment of the digital channels, and gradual release of applications for the target platform in all the countries of the International Banks Division;
- progress according to plan of the technological integration under the merger by incorporation of First Bank into Intesa Sanpaolo Bank Romania.

Lastly, the reduction in staff due to voluntary exits, amounting to around 8,750 people since 2022 (relating to the agreements already signed with the trade unions), continues to be supported and offset, for the portion not covered by new hires, by the ongoing digital transformation strategy.

Growth in Commissions, driven by Wealth Management, Protection & Advisory

The expansion continues of "Valore Insieme", the advanced advisory service for Affluent and Exclusive customers of Banca dei Territori, with new insurance and asset management products. At the end of 2025, Valore Insieme's stock of financial assets amounted to over 102 billion euro, with around 79 thousand new contracts signed and 23.8 billion euro of new financial asset flows gathered since the beginning of the year.
In Private Banking, We Add, the new advanced advisory service for the Intesa Sanpaolo Private Banking network, is operational, and the Aladdin Robo4advisory features have been added to support the advisory activities for the Fideuram network. New features are available for the advisory tools dedicated to UHNWI (Ultra High Net Worth Individual) customers and the service model for family offices has been strengthened. In addition, the new SEI (Advanced Advisory Services) agreement for Fideuram was launched, which allows for the inclusion of assets under administration into its scope.
The strengthening is continuing of Fideuram Direct (Fideuram's digital wealth management service for investing in managed products and trading in over 50 cash and derivatives markets, with advanced services). Direct Advisory, the new remote

advisory service, allows customers to open accounts and subscribe to asset management products themselves, in addition to building investment portfolios with the help of direct bankers operating remotely. Cash deposits have also been added to the catalogue, to complement wealth management product solutions, and the range of advanced trading services offered by Fideuram Direct has been expanded. In addition, the Direct Advisory services have been extended to customers of traditional networks, based on their preferences and operational characteristics.
The offering of Alpian, Switzerland's first digital private bank with a mobile-only platform, including multi-currency, wealth management and financial advisory services with experienced consultants, was further strengthened through the introduction of the in-self configurable mandates and the Apple Pay service, in addition to the ETF Saving Plan. Over 25,000 active customers were reached in 2025.
Reyl & Cie, the Swiss hub of the Private Banking Division, continues to contribute to the growth in fees and commissions generated internationally, together with Intesa Sanpaolo Wealth Management in Luxembourg. The implementation of the Reyl's growth strategy is continuing through synergies with the Italian Private Banking networks and the other Group companies and the launch of a project to implement a distribution model for selected Reyl banking products within the Italian networks and the streamlining of several legal entities controlled by Reyl.
In November 2024, a new strategic initiative was announced, designed to accelerate the growth of the Digital Wealth Management offering in Europe (Belgian and Luxembourg markets) in collaboration with BlackRock. A new platform (Fideuram Direct) has been launched within Intesa Sanpaolo Wealth Management to provide fully digital in-app investment services, aiming to expand the customer base at the European level across multiple geographical areas through an efficient, scalable model. In 2025, the pilot phase of Fideuram Direct was launched with selected customers and the commercial roll-out was completed for the new App for ETF saving plans and investments.
The strategic partnership is now fully operational with Man Group in Asteria Investment Managers, with funds exceeding 2.8 billion euro in assets under management at the end of 2025, and a focus on creating a broad range of alternative and strictly long-term investment strategies using cutting-edge technology, with the aim of generating innovative investment opportunities for Fideuram - Intesa Sanpaolo Private Banking customers.
The expansion continues of Eurizon's offering for captive and third-party distributors through the progressive enhancement of the ESG product offering for asset management and insurance, which has brought their penetration to over 76% of Eurizon's total assets under management. Eurizon's continues its commitment to financial education, ESG training (towards distributors and academics) and stewardship. The merger by incorporation of Epsilon SGR into Eurizon Capital SGR was completed in March 2025. Eurizon launched the "YourIndexSicav" ETF range, with 19 index funds spanning the main bond and equity asset classes, and including listed classes (UCITS-ETF) and traditional classes (retail and institutional).
The business partnership with Eurobank Asset Management, a management company wholly owned by Eurobank, has been progressively consolidated; it involves the distribution of Eurizon funds by Eurobank and the support from Eurizon for growth in asset management. A Memorandum of Understanding was subsequently signed, which allowed Eurizon to enter the Greek market.
InSalute Servizi, a company of the Insurance Division of Intesa Sanpaolo, became the TPA (Third Party Administrator) of the Intesa Sanpaolo Group's Health Fund. The company, which also manages the Banca dei Territori customers with Intesa Sanpaolo Protezione health policies, is currently the fourth-largest TPA in the Italian market, handling over 1.5 million cases per year. Thanks to partnerships with leading healthcare facilities, new online booking services for medical treatments have been released, with the possibility of receiving reports directly on the App, which are currently aimed at the Group's individual customers.
The Group has dedicated numerous initiatives to businesses and financial institutions, including the:

- launch of IncentNow, a digital platform able to provide information to Italian companies and institutions on the opportunities offered by the public tenders related to the National Recovery and Resilience Plan;
- commercial initiatives to support customers in different sectors to optimise the incorporation of European and Italian post-pandemic recovery plans;
- digital strengthening of the Global Transaction Banking platform initiated by the IMI Corporate & Investment Banking Division, in collaboration with isytech at Group level (Isybiz Programme), through new releases (for example advanced cash management products) and partnerships (for example to extend coverage of over one hundred currencies). IMI C&IB's capital light toolkit is also being expanded, with the introduction of new instruments, such as credit risk insurance and portfolio hedging, and commercial enablers, such as support for funding;
- development of initiatives in the area of digital assets (such as custody services), in line with the Group's overall strategy;
- origination and distribution activities, both in Italy and abroad, also through the enhancement of the Originate-to-Share model, with the introduction of additional risk-sharing instruments and the strengthening of relationships with institutional customers;
- ESG advisory services to corporates to steer the energy transition through a scalable approach, with a focus on energy, infrastructure and the automotive & industrial sectors, also through supply chain agreements with specialised partners, and integrating working capital funding solutions;
- enhancement of the digital platforms serving Corporate customers, with the introduction of new products and customer interaction methods, also through the launch of Cardea, an innovative and digital platform for financial institutions.

At international level:

- the launch of a synergy project between the International Banks (IBD) and Banca dei Territori Divisions, for the strengthening of the Advisory model in the International Banks Division through the evolution of the dedicated digital platform, leveraging Group best practices;
- the completion of the Certificates issuance programme planned for 2025, with four issuances in Croatia, two in Slovakia, and one in Hungary;
- the development of the synergies between the IMI Corporate & Investment Banking Division and the Group's main international banks through (i) the ESG value proposition initiative, dedicated to the priority sectors of the commercial strategy, for the Corporate and SME customer segments of the Group banks in Slovakia, Hungary, Croatia, Serbia and Egypt; and (ii) the business partnership with a leading insurance group for the distribution of bancassurance products in Slovakia, Croatia, Hungary, Serbia and Slovenia;

– the launch of a synergy project between the International Banks (IBD) and Banca dei Territori Divisions, which will further enhance the cross-border business opportunities for mid-corporates operating in markets where the international subsidiaries are present;
– the launch of initiatives for the development of synergies – in Global Market, Structured Finance and Investment Banking – between IMI C&IB and the Group's main international banks with a significant increase in business since the start of the Business Plan;
– the launch of the confirming factoring product in nine markets, with several deals already closed. With regard to the New Factoring Digital Platform, the project involved the Prague branch of VUB as the pilot Bank, with a gradual extension to other Banks within the Division;
– the start of the placement of Minibonds, with 20 issuances carried out, focused on the SME segment in Croatia, Serbia, Slovenia, the Czech Republic and Slovakia.

Intesa Sanpaolo, through its IMI Corporate & Investment Banking Division, received the awards for Best Investment Bank and Best Bank for Corporates in Italy from Euromoney, together with the Group's subsidiary in Slovakia, which received the award as best local bank in 2025.

Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate

As a financial conglomerate, Intesa Sanpaolo is aware that it has a considerable impact on the social and environmental context in which it carries out its business and chooses to act not only on the basis of profit, but also with the aim of creating long-term value for the Bank and the community, in the knowledge that it can contribute to reducing the impact of phenomena such as climate change and social inequalities.

The Group's commitment to ESG issues is ensured by the numerous initiatives it is pursuing for each of the main strategic drivers it has decided to adopt:

– support to address social needs;
– focus on financial inclusion;
– commitment to culture;
– promoting innovation;
– accelerating on commitment to Net-Zero;
– supporting clients through the ESG/climate Transition.

In 2025, Intesa Sanpaolo continued to expand the "Food and shelter for the needy" programme to combat poverty by providing concrete aid throughout Italy and abroad, with over 68.2 million interventions completed since the start of 2022, including food assistance, shelters and beds, clothing items, and medication prescriptions. The strengthening of the Group's ongoing social housing initiatives through the promotion of housing units and identification of new partnerships with leading operators in the sector, enabled the promotion of around 7,000 units of social housing and student beds during the period 2022-2025.

In the area of employability, the "Giovani e Lavoro" programme continued, aimed at training and introducing more than 3,000 young people to the Italian labour market over the 2022-2025 Business Plan horizon (around 5,600 young people trained or in training since 2019, of which over 700 in 2025), together with "Digital Restart" programme, focused on training and reintegrating unemployed people aged between 40 and 50 into the labour market, by funding a Master's degree in Data Analysis to develop new digital skills and re-enter the workforce (the fifth edition, which ended in February 2025, involved the participation of 50 people).

In 2025, the Group's educational inclusion initiative strengthened its partnerships with top Italian universities and schools, maintaining its commitment to merit and social mobility (around 8,000 schools involved since 2022, including over 4,000 in 2025). Additionally, since the beginning of the Plan, the Group has launched "Futura" – a new programme promoted by Save the Children, Forum Disuguaglianze e Diversità and Yolk, with the collaboration of Intesa Sanpaolo, to combat female educational poverty, educational failure and early school leaving (350 training courses activated, of which 50 aimed at young mothers) – as well as "In Action ESG NEET", a social impact initiative launched by the Insurance Division dedicated to the promotion and inclusion of NEET - Not (engaged) in Education, Employment or Training youths and other vulnerable categories in the world of work (since its inception, the project has provided free training and skills development to 295 people in the regions of Tuscany, Campania, Lazio and Puglia, with a total of over 6,900 hours of classroom and on-the-job training, and each participant has completed a curricular internship in social-healthcare or educational facilities).

Intesa Sanpaolo's focus on financial inclusion during the year was supported by the disbursement of around 6.3 billion euro in social lending and urban regeneration (26.7 billion euro since 2022) and 345 million euro in lending to non-profit entities (1.2 billion euro since 2022), in addition to the "Fund for Impact" programme (in 2025, a total of 127 million euro provided through dedicated initiatives to meet the needs of individuals and families, to ensure wider and more sustainable access to credit) and the urban regeneration programme (in 2025, a total of 34 million euro of commitments made for new investments for initiatives in housing, services, and sustainable infrastructure, in addition to the most important urban regeneration initiatives underway in Italy; 1.5 billion euro since 2022). The promotion of art and culture is a core part of the Group's identity in its role as a key player in Italy's social and cultural development and contributes to making the Bank a recognised leader in the Italian and European cultural landscape. More details on the Group's numerous initiatives in this area are provided in the following section.

Intesa Sanpaolo recognises that promoting innovation is a strategic factor in becoming the driving force for a more aware, inclusive, and sustainable economy. The continued commitment to the growth of start-ups and the development of innovation ecosystems is reflected in the activities carried out during the year and since the beginning of the Plan.

In 2025, ISPIC – Intesa Sanpaolo Innovation Center launched 258 innovation projects, bringing the total to 904 since 2022. Numerous initiatives have fostered startup growth and the development of the innovation ecosystem, with around 450 startups promoted and supported since 2022. Multidisciplinary applied research has also advanced, with 24 research projects underway at the end of 2025 and a total of 40 commenced since 2022. The results from three research projects have been incorporated into Group processes and policies (with 13 new projects launched in 2025), and three patents have been obtained.

The key activities included the business transformation initiatives, with around 135 companies engaged in open innovation programmes since 2022 and the implementation of more than 30 programmes for the circular transformation programmes of companies and institutions, and for the advancement of an innovation mindset and culture, with the organisation of over

30 positioning and match-making events[21] in 2025, with over 19,000 participants (140 events and around 60,000 participants since 2022), the release from the start of the year of 19 reports and publications focusing on technology innovation (over 65 since 2022), and lastly over 80 million euro of investments made by Neva SGR in support of startups in 2025 (around 199 million euro since 2022) in Italy and abroad.

The Group has chosen to pursue the Net-Zero target by 2050, also setting intermediate targets to 2030 for its own direct emissions as well as the indirect emissions associated with the main business lines[22]. Specifically, the Plan envisaged a 53% reduction in absolute Scope 1 and Scope 2 emissions by 2030 compared to the 2019 baseline, and also set the goal of becoming carbon neutral at the same time, mitigating residual emissions through the purchase of carbon credits. In this context, the Group has set itself the target, where possible, of 100% electricity from renewable sources purchased directly for its operations.

The first four targets for the Oil & Gas, Power Generation, Automotive and Coal Mining sectors were also published in the 2022-2025 Business Plan. In 2023, emission reduction targets were also set for the Iron & Steel and Commercial Real Estate sectors, and in 2024 targets were introduced for the Cement, Aluminium, Residential Real Estate and Agriculture – Primary Farming sectors. Since 2021, the Group has been a member of the Net-Zero Asset Managers Initiative (NZAMI)[23], through Eurizon Capital SGR, Fideuram Asset Management SGR[24] and Fideuram Asset Management Ireland, and through Intesa Sanpaolo Assicurazioni the Net-Zero Asset Owner Alliance (NZAOA). In 2024 Intesa Sanpaolo Assicurazioni also joined the Forum for Insurance Transition to Net-Zero (FIT)[25].

In terms of "ongoing active engagement", the Intesa Sanpaolo Group participates in the European Coalition for Energy Efficiency Financing (promoted by the European Commission and aimed at creating a favourable market environment for energy efficiency investments) and is a signatory of the "Finance Leadership Statement on Plastic Pollution", together with a further 160 financial institutions, joining an ambitious environmental agreement to end plastic pollution.

Another noteworthy initiative was the launch of "CO2 mitigation solution", a product designed for companies wanting to commit to reducing their own emissions through actions within their value chain, supporting them in measuring their carbon footprint and promoting climate mitigation by purchasing carbon credit certificates.

The main activities carried out by the Group to support its customers in the ESG/climate transition included:

– the disbursement since 2021 of around 89.4 billion euro out of the 76 billion euro in new lending available for the green economy, circular economy and green transition envisaged in the 2022-2025 Business Plan;
– the disbursement of around 6.3 billion euro of Green Mortgages in 2025 (15.2 billion euro since 2022), out of the 12 billion euro of new Green lending to individuals envisaged in the Plan;
– in the circular economy, in addition to the 8 billion euro of dedicated credit lines announced in the Business Plan, since the beginning of the year Intesa Sanpaolo, a Strategic Partner of the Ellen MacArthur Foundation since 2015, has assessed and validated 300 projects for a total of around 19.5 billion euro, granted around 9.4 billion euro in 188 transactions (of which around 5.2 billion euro related to green criteria), and disbursed 3.3 billion euro taking into account previously granted projects (of which 1.6 billion euro related to green criteria). Overall, since 2022, around 1,400 projects have been assessed and validated for a value of over 53.4 billion euro, with over 29.7 billion euro granted in 830 transactions (of which around 17 billion euro related to green criteria), with around 15.9 billion euro disbursed taking into account previously granted projects (of which 10.7 billion euro related to green criteria). The strategic partnership with EMF and the three-year collaboration between Intesa Sanpaolo, ISPIC, Fondazione Cariplo and Cariplo Factory regarding issues relating to the circular economy, through the action of the Circular Economy Lab, were also renewed. In addition, in 2025, ISPIC coordinated the activities of the Italian Alliance for the Circular Economy, highlighting the central role of innovation, with a focus on the circular economy in promoting the sustainability and competitiveness of Italy and its enterprises;
– activation in Italy of 16 ESG Laboratories, physical and virtual meeting points to support enterprises in approaching sustainability, and evolution of the advisory services offered by partners;
– streamlining of the S-Loan offering, from six to three lines in 2024 (S-Loan ESG, S-Loan CER and S-Loan Diversity), and the disbursement of 4.3 billion euro in 2025 (11.1 billion euro since the launch of the product line in 2020);
– ESG advisory services to corporates to steer the energy transition through a scalable approach, with a focus on energy, infrastructure and the automotive & industrial sectors;
– significant development of the ESG value proposition for the Corporate, SME and Retail customer segments in all the banks of the International Banks Division (excluding Moldova and Ukraine) with the expansion of the Retail product catalogue and the progressive extension to the PBZ Hub (Croatia and Slovenia) of the S-Loan offering, already active in VUB Banka (Slovakia), CIB Bank (Hungary) and BIB (Serbia);
– the expansion of the scope of decarbonisation technologies, supported by credit incentives for IMI C&IB Division customers;
– strengthening of the ESG investment products for asset management, with a penetration of 76% of the total AuM (Assets under Management), continued expansion of the Insurance Based Investment Products (IBIPs) catalogue, and the continued maintenance and increase in investment options (Articles 8 and 9 SFDR) with underlying insurance products for customers (81% as at 31 December 2025);
– strong commitment to Stewardship, with Eurizon Capital SGR taking part in 1,641 shareholder meetings (of which 90% involving international listed issuers) and 763 engagements (of which 35% on ESG issues) from the beginning of the year;

[21] In a positioning event, a key player discusses innovation issues, while a matchmaking event facilitates the matching of supply and demand in innovation.

[22] For details and the results as at the end of 2025 for the decarbonisation targets, see the Chapter ESRS E1 – Climate Change within the Group's Consolidated Sustainability Statement.

[23] On 13 January 2025, NZAMI launched a review of the initiative to ensure its appropriateness for the new global context, temporarily suspending the monitoring and reporting of the signatories. On 29 October 2025, the review was concluded with the relaunch of the initiative and the adoption of an updated framework introducing greater flexibility in setting targets, while maintaining the commitment to transparency and annual reporting. The Group renewed its commitments following the relaunch of the NZAMI.

[24] The full demerger of Fideuram Asset Management SGR in favour of Fideuram - Intesa Sanpaolo Private Banking and Eurizon Capital SGR took effect from 1 July 2025.

[25] The Forum was announced by the United Nations Environment Programme (UNEP FI) following the notification of the termination of the Net-Zero Insurance Alliance on 25 April 2024.

during the same period, the subsidiaries Eurizon Capital S.A. and Epsilon SGR[26] took part in 3,628 (of which 97% involving internationally listed issuers) and 21 (of which 90% involving internationally listed issuers) shareholder meetings respectively, while Fideuram - Intesa Sanpaolo Private Banking took part in 61 shareholder meetings and 123 engagements (of which 89% on ESG issues);
– establishment of the "ESG Ambassador" role in the Private Banking Division, with the aim of promoting a culture of sustainability in their local areas, promoting sustainable behaviour and providing a listening point for the needs of customers and Private Bankers.

The Group's People as its most important asset

Intesa Sanpaolo continues its commitment to investing in strengthening its human capital through a range of initiatives aimed at its People, for their growth, development, and satisfaction. Creating a unique ecosystem of skills aligned with the Bank's evolution is one of the primary goals for the Group, which actively focuses on talent and the promotion of diversity and inclusion, because it recognises that People are the most important resource for achieving the Plan objectives and the enablers for future success.

The hiring of professionals and the reskilling and training of internal staff was completed, aimed at promoting generational change and the development and maintenance of suitable skills, in order to support the Group's growth and best meet the challenges of the coming years. The targets for permanent hires (around 4,600 hires) and people upskilled/reskilled towards priority and strategic initiatives (around 8,000 people) over the course of the Plan were met and exceeded, with around 5,900 professionals hired since 2021 (of which around 1,300 recruited in 2025) and around 9,325 people involved since 2022 (of which around 2,425 in 2025). In addition, the engagement of the Group's People in achieving the Plan's objectives is pursued through long-term incentive plans.

The staff training strategy, a key aspect for the Group, is being implemented through the new leading education player in Italy, created through the combination between Intesa Sanpaolo Formazione and Digit'Ed (a Nextalia Fund company). Today's environment requires the ongoing development of skills and flexibility, and in 2025 the Bank exceeded the target of 50 million hours envisaged over the Plan period, delivering around 56 million hours of training (since 2022)[27].

As further evidence of the key role in the Group's strategy of promoting the well-being and work-life balance of its People and responding to their requirements for flexibility, Intesa Sanpaolo has established an organisational framework that provides greater flexibility in terms of daily work schedule and the possibility of remote working and a four-day working week on a voluntary basis with no change in remuneration. In addition, a dedicated platform is available, to support of the physical, emotional, psychological and social well-being of the Group's employees, which offers video content, podcasts, articles, tools and apps, accompanied by events and initiatives organised both in-person and digitally.

Intesa Sanpaolo pursues the objective of fostering an inclusive working environment, promoting the respect and value of diversity and enhancing the multicultural heritage, experiences and characteristics of the Group's People. It is also committed to promoting people management and development policies based on fairness, meritocracy and nurturing each person's talent without discrimination of any kind. To this end, the project "Parole di tutto rispetto" has been developed, dedicated to the reinforcement of inclusive and accessible communication. All the staff in Italy who hold managerial roles have been involved in creating an inclusive leadership culture, participating in workshops on disability and mental health (over 6,500 people involved), and the initiative will gradually be extended internationally.

In addition to the Group's presence in important sustainability indexes and rankings, the attention paid to our People is also reflected in the numerous awards received:
– Top Employer Europe 2026 and Top Employer Italy respectively for the second and fifth year running (awarded to the bank by the Top Employers Institute, a global authority on HR best practices) and top company in the Banking & Finance sector in the LinkedIn Top Companies 2025 in Italy in which to develop one's career and grow professionally. The Banks in Albania, Croatia, Serbia, Slovakia and Romania were also recognised as Top Employer 2026;
– among the 100 most inclusive and diversity-conscious workplaces: Intesa Sanpaolo was included in the 2025 FTSE Diversity & Inclusion Index;
– "Prassi di Riferimento (PDR) 125:2022" certification for gender equality envisaged by the National Recovery and Resilience Plan (NRRP) (first major Italian banking Group to obtain it), renewed in 2025;
– included in the Equileap Top Ranking 2025 among the top 100 companies in the world for gender equality.

The new 2026-2029 Business Plan

In recent years, the Intesa Sanpaolo Group has demonstrated its ability to generate sustainable value for stakeholders, delivering excellent results, despite a complex macroeconomic environment, marked by geopolitical tensions and inflationary pressures.

This has allowed Intesa Sanpaolo to consolidate its status as a leader in the European banking sector and strengthen its resilience through a process supported by a growing focus on fees and an ever broader, personalised and innovative range of products and services.

Thanks to the results achieved and the capital strength, the Intesa Sanpaolo Group is well-placed to effectively seize opportunities and face future challenges, while maintaining sector-leading sustainable profitability and its Zero-NPL Bank status, through a strategy underpinned by fees and technology.

With the new Business Plan, Intesa Sanpaolo aims to further strengthen its leadership in Wealth Management, Protection and Advisory, through three key pillars:
1. structural Cost reduction, benefitting from strong tech investments already deployed;
2. Revenue growth, fuelled by Wealth Management, Protection and Advisory leadership;
3. low Cost of risk, thanks to the Zero-NPL Bank status and high-quality origination.

[26] The two subsidiaries were merged into Eurizon Capital SGR with effect from 1 December and 1 March 2025, respectively.

[27] In October 2025, Academy4Future was launched as the Group's new training centre aimed at enhancing professional growth and continuously updating our People's skills on specific topics to support the Group's development.

This process will be achieved through the contribution from our People, who have always been the Group's most important asset.

The *pillar 1* will enable Intesa Sanpaolo to achieve a structural Cost reduction, delivering a 1.8% saving in 2029 compared to 2025, benefiting from the investments already made since 2018. The Plan provides for:
– extension of the cloud-native digital platform isytech, enabling Cost reduction and process streamlining;
– Artificial Intelligence (AI/GenAI and Agentic AI) evolution for end-to-end process redesign and to improve productivity, commercial efficiency and risk control;
– acceleration of generational change, enabled by technological transformation and the recruitment of young talent to support growth and innovation (e.g., Global Advisors);
– strategic insourcing at scale and internalisation of key skills to deliver external cost savings;
– proactive management of administrative Costs, also through a Total Cost of Ownership approach to support cost control in Procurement and IT with advanced digital tools and the rationalisation of real estate and legal entities.

The *pillar 2* will enable Revenue growth with a CAGR of +3.0% from 2025 to 2029, driven by strong growth in fees and customer financial assets, through targeted plan initiatives, including:
– scaling up the Global Advisor network, targeting around 4,200 Global Advisors by 2029 (from 1,850 as at 31 December 2025), unlocking the full potential of Banca dei Territori's Exclusive customers;
– strengthening of Private Banking leadership, through continuous development of the domestic commercial offering, enhancing the Lifecycle and Longevity solutions to meet new customer needs, and expanding international operations;
– enhancing the Asset Management and Insurance product factories, by improving the product range and service model, while broadening the Protection range for Banca dei Territori Individual customers, Private Banking and Corporate/SMEs;
– driving growth with Corporate and Institutional customers by scaling up dedicated platforms, strengthening the offering in high-growth value chains (e.g., Space and Defence, Data Centres, Health, Climate Transition, Blue Economy and seabed), expanding international operations, developing the Global Markets platform, strengthening transaction banking, and launching the Private Markets platform;
– evolving the Italian SME service model to address emerging needs, further strengthening the value proposition by leveraging IMI C&IB synergies;
– strengthening Consumer Credit, with enhancement of the offering of personal loans and salary-backed solutions, building on the Group's distinctive capabilities including unrivalled customer knowledge, the leading credit agent network for salary-backed solutions (i.e., Prestitalia), and an omnichannel offering enabled by the isytech platform;
– launching isybank 2.0, with a target of acquiring 1 million new customers, maximising their full potential, improving the product offering with high value-added solutions (e.g., securities trading, savings plans), and strengthening the customer acquisition engine;
– expanding the International Banks Division operations by evolving the business model, leveraging Group best practices and creating a new "Fideuram-style" network of financial agents, strengthening advisory capabilities, boosting digital competencies and launching a next-generation customer acquisition platform;
– launching isywealth Europe and expanding in the major European markets already covered (France, Germany and Spain), leveraging the leadership in Wealth Management, prior technology investments and significant international presence to develop integrated international Hubs and serve diverse customer segments through a mix of innovative and traditional channels.

The *pillar 3* aims to consolidate the leadership in credit management and the Bank's Zero-NPL status, with a net NPL ratio below 1.0% and cost of risk at 25-30 basis points over the Plan period, by:
– leveraging benefits from the elimination of bad loans, through the de-risking actions defined in the fourth quarter of 2025, to reinforce future profitability;
– active loan portfolio management, with improved management practices, broader portfolio clusters covered by underwriting guidelines, and strengthened credit governance, also through data analytics solutions (e.g., systematic portfolio scanning) to optimise the risk-return profile;
– applying a forward-looking approach to underwriting and credit management (e.g., improved rating analysis with forward-looking outlooks by sector), with full data analytics integration to simplify credit processes and develop thematic expertise for deeper knowledge of sectors and counterparties;
– holistic management of all risks, with further reinforcement of the risk control and management framework (e.g., isycontrols powered by isytech), focus on emerging risks (e.g., geopolitical risk, cybersecurity), and a strong security culture.

Our *People* will continue to be the most important asset for success in the new Business Plan and the Group is committed to investing in its talent by:
– strengthening the skills development engine through the expansion of the Group Corporate Academy, the launch of new Graduate programmes and next-generation training programmes, the development of AI skills supported by collaborations with top universities, business partnerships and professional development initiatives;
– enhancing integration and connectivity within the Group, by expanding the Global Career programme (including the new career website), and integrating global HR models and processes to ensure alignment and disseminate best practices;
– strengthening the Group culture, by further enhancing managerial role modelling, introducing new incentive schemes and promoting a Group Culture Code to ensure complete alignment of internal processes with Group values;
– focusing on strengthening Group-level welfare, with further improvement of work-life balance through innovative work organisation solutions and extension of the CareLab Ecosystem platform to all geographical areas.

The Plan confirms the Group's position as a global leader in social impact, supporting customers along the sustainable transition and continuing to invest in strategic priorities through dedicated initiatives, including:
– the contribution of around 1 billion euro between 2026 and 2029 to fight poverty, reduce inequalities and promote financial inclusion;
– supporting customers in the sustainable transition, targeting around 112 billion euro in new sustainable lending, representing around 30% of new medium/long-term loans;
– reaffirming the decarbonisation commitment and 2030 targets for financed emissions, asset management, insurance and own emissions;
– continued commitment to culture (e.g., further technology enhancements at the Gallerie d'Italia) and innovation (e.g., strengthening services for startups and scaleups).

Based on the 2026-2029 Business Plan guidelines and strategic pillars, Intesa Sanpaolo's targets for 2029 include:
– net income above 11.5 billion euro (27% ROTE);
– operating income of 30.7 billion euro;
– sector-leading cost/income of 36.8%;
– cost of credit at 25-30 basis points;
– net NPL ratio below 1%;
– highly solid capital position, with CET1 ratio above 12.5% and leverage ratio of 5.6%;
– distribution for each year of the Plan of 95% of consolidated net income, of which 75% through cash dividends and 20% through share buybacks.

Over the 2026-2029 Plan period, Intesa Sanpaolo will continue to deliver value for all stakeholders and in particular for:
– shareholders, with around 50 billion euro distributed from 2025 to 2029 (annual payout ratio of 95% for 2026-2029 period: 75% through cash dividends and 20% through share buybacks);
– employees, with renewal of the commitment to around 90 thousand families (around 28 billion euro in Personnel expenses over the Plan period);
– the nation as a whole, with an ongoing commitment of the Group to generating value for the economy and society through around 374 billion euro (of which around 260 billion euro in Italy) of new credit granted to the real economy for households and businesses, around 17 billion euro of purchases and investments with Intesa Sanpaolo suppliers, around 26 billion euro to the public sector, 30% of the new medium/long-term loans dedicated to sustainable lending and a contribution of around 1 billion euro to fighting poverty and reducing inequalities.

Information on crucial intangible resources

The Group's strategy outlined in the new 2026-2029 Business Plan, as in the now concluded 2022-2025 Plan, recognises that: (i) intellectual capital, comprising organisational capital and the value of knowledge; (ii) human capital, representing the collective skills, abilities, experiences, and innovation drive of our people; and (iii) social and relational capital, which includes our interactions with diverse stakeholders and information exchange capabilities, are unique intangible resources that are crucial to achieving the goals set.
These resources are described in this Report on operations and in particular in the Consolidated Sustainability Statement to highlight their fundamental contribution to the corporate strategies and their ability to serve as a source of value creation for the business.

Progetto Cultura

Progetto Cultura is the multi-year programme of initiatives through which Intesa Sanpaolo actively expresses its commitment to promoting art and culture, providing a direct and tangible contribution to Italy's cultural and social growth. The activities are conceived and implemented by the Art, Culture and Heritage structure in dialogue with public and private, national and international organisations and institutions.

For a full discussion of the topic discussed below, see also the Consolidated Sustainability Statement, and in particular the section Social information, ESRS S3 Affected communities.

Gallerie d'Italia

Gallerie d'Italia is the Bank's museum network with four venues, in Milan, Naples, Turin and Vicenza, developed from the transformation of historic buildings owned by the Bank, which now serve as public museums that offer access to art collections, exhibitions and cultural and social programmes.
In 2025, the Gallerie d'Italia and the *Restituzioni* exhibition in Rome received a total of around 750,000 visitors, with free admission for under 18s and school groups (around 143,000 children and young people).

Exhibition Projects
The Gallerie d'Italia host selections of artworks from Group's collections in permanent itineraries, which are regularly updated: in 2025, a new display was introduced in Naples for the room dedicated to the *Martirio di sant'Orsola*, to showcase Caravaggio's masterpiece following the conservation work carried out this year; in Vicenza, a new display featuring 14 sculptures by Arturo Martini and the reinstallation of 18th century Venetian paintings; and in Turin, the renewal of the bookshop with a section dedicated to the Allemandi publications.
Eighteen major temporary exhibitions were inaugurated, produced in collaboration with leading curators and national and international partners, and featuring loans from around 160 museums and collections:

- in-depth studies on periods and key figures of Italian art, with a particular focus on the history of the regions hosting the Gallerie d'Italia: in Milan, *Eterno e visione. Roma e Milano capitali del Neoclassicismo*, curated by Francesco Leone, Elena Lissoni and Fernando Mazzocca, in collaboration with the Bibliothèque nationale de France (a major exhibition on the Napoleonic era in Milan and Rome, the two capitals of neoclassical art in Europe); in Naples, *Donne nella Napoli spagnola. Un altro Seicento*, curated by Antonio Ernesto Denunzio, Raffaella Morselli, Giuseppe Porzio and Eve Straussman-Pflanzer, in collaboration with the "L'Orientale" University of Naples and under the patronage of the Embassy of Spain in Italy (an unprecedented exhibition on the female contribution to seventeenth-century Neapolitan art, featuring both renowned and previously overlooked female artists);
- promotion of selections of artworks from the corporate collection: in Milan, *Una collezione inattesa. La Nuova Arte degli Anni Sessanta e un Omaggio a Robert Rauschenberg*, curated by Luca Massimo Barbero, in partnership with the Robert Rauschenberg Foundation (2nd installation of the project dedicated to the Group's collections of modern and contemporary art, with particular focus on the Luigi and Peppino Agrati Collection) and *Tutti pazzi per i Beatles. Il concerto del 1965 a Milano nelle fotografie di Publifoto* (with images from the Intesa Sanpaolo Publifoto Archive); in Vicenza, *Ceramiche e nuvole. Cosa le antiche ceramiche greche raccontano di noi*, curated by Francesco Poroli, in collaboration with Associazione Illustri (an interplay between vases from the Bank's archaeological collection and contemporary illustration); the Intesa Sanpaolo Skyscraper in Turin-Gallerie d'Italia *"off", Andy Warhol. Triple Elvis* (the most iconic work of the Agrati Collection on the occasion of the tenth anniversary of the Skyscraper);
- 16th and 17th editions of the "L'Ospite illustre" series: in Naples, *Raffaello. La Dama col liocorno*, in collaboration with Galleria Borghese in Rome (a masterpiece of Italian Renaissance painting from a prestigious Italian museum; the exhibition was accompanied by a major international conference); *Federico Barocci. La Madonna delle ciliegie*, in collaboration with the Vatican Museums (a precious 16th century painting from Urbino loaned by one of the world's most important museums);
- photography exploring the themes of our times: in Turin, *Carrie Mae Weems. The Heart of the Matter*, curated by Sarah Meister, in collaboration with Aperture (artworks by the renowned African-American photographer dedicated to the struggle for racial and gender equality, including the installation "Preach" commissioned by the Bank), *Jeff Wall. Photographs*, curated by David Campany (a reflection on contemporary society in the images of the Canadian artist, one of the most influential living photographers) and *Olivo Barbieri. Spazi Altri,* curated by Corrado Benigni (a journey through China's urban transformations, 4th chapter in the "La Grande Fotografia Italiana" series); in Naples, *JR. Chronicles. Chi sei Napoli?* (project by the French photographer JR, internationally renowned for his social engagement and public and participatory art, with a large-scale mural installed on the façade of the city's cathedral); in Vicenza, *Cristina Mittermeier. La grande saggezza*, curated by Lauren Johnston, in collaboration with National Geographic (photographs from around the world by the Mexican artist and activist, to reflect on the beauty and defence of the Planet); in Milan, *Jess Dugan. Look at me like you love me*, curated by Renata Ferri, exhibition held in collaboration with Diversity, Equity & Inclusion and ISPROUD, Intesa Sanpaolo's LGBTQ+ Community (the artist's photographic account of queer and non-binary identities);
- other photographic exhibitions: in Milan, *Enzo Sellerio. Piccola antologia siciliana*, curated by Monica Maffioli and Roberta Valtorta, in collaboration with Archivio Sellerio (for the centenary of the birth of the Sicilian publisher and photographer); in Naples, *Daniele Ratti. Due cuori e una capanna*, curated by Benedetta Donato; in Turin, *Riccardo Ghilardi. Piano sequenza la Mole*, curated by Domenico De Gaetano, in collaboration with the National Cinema Museum of Turin (for the 25th anniversary of the Museo alla Mole);
- the closing exhibition of the 20th edition of Restituzioni in Rome (see the Restituzioni paragraph).

The "special" projects included the immersive digital exhibitions at the Gallerie di Torino from *Erik Kessels. Un'immagine* (with photographs from the Publifoto Archive) to the commissioned project *Cronache d'acqua*. *Immagini dal Centro Italia* (third episode of a photographic narrative on the climate emergency in Italy), and, in the spacious atrium of the Gallerie di Napoli, first

the display of the sculpture *David* by Jago, followed by the installation *Natura naturans* in collaboration with Aboca, on the relationship between man and nature.
Exhibitions produced by Gallerie d'Italia were also hosted in other venues in Italy and internationally, both as touring presentations of photographic exhibitions already shown at the Gallerie (*Cristina Mittermeier* at the Galleria d'Arte Moderna in Palermo; *Maria Callas* at the Italian Cultural Institute in Paris; *Non ha l'età. Il Festival di Sanremo in bianco e nero* at the Teatro Ariston in Sanremo, *Due cuori e una capanna*, at the Istituto di Candiolo in Turin), as well as new productions (*Robert Rauschenberg. Blue Exit* in the spaces of the Miart fair in Milan, one of the masterpieces of the Agrati Collection marking the centenary of the artist's birth; *Anastasia Samoylova. Image Cities*, images of urban landscapes by the American photographer hosted in the spaces of the Artissima fair in Turin).
Other notable initiatives included the co-production of exhibitions, resulting from ongoing collaborations with other institutions: with Fondazione CR Firenze, *David Doubilet. Oceani*, in collaboration with National Geographic (first chapter of a renewed three-year series of photographic exhibitions hosted at the Foundation's exhibition space at Villa Bardini in Florence); with Fondazione CR Cuneo, *La Galleria Borghese. Da Raffaello a Bernini. Storia di una collezione*, in collaboration with the Galleria Borghese in Rome (fourth edition in the series of exhibitions held at the Complesso di San Francesco in Cuneo); with Fondazione Costruiamo il Futuro, *L'ultimo Tiziano. Venere che benda Amore*, in collaboration with the Galleria Borghese in Rome (at Villa Cusani Confalonieri in Carate Brianza, third edition of the series "*La grande arte in Brianza*"). These were accompanied by the joint organisation of the traditional Christmas exhibitions with the City of Milan (*Il Polittico di Monte San Martino di Carlo* and *Vittore Crivelli* at the city hall in Palazzo Marino) and with the City of Vicenza, together with the Communications and Corporate Image Department (*Olimpichetto*. *Il ritorno di un ambasciatore* in Basilica Palladiana).

Workshops with schools, social inclusion activities, and cultural initiatives and events
The Gallerie offer a variety of activities and initiatives for the public to promote participation, growth, accessibility and inclusion. In 2025, around 5,000 workshops and visits for schools were organised, involving around 109,000 students. Around 750 itineraries were designed for audiences with disabilities or in situations of vulnerability, involving around 9,700 participants. All educational and inclusive initiatives are free of charge. Around 840 activities and visits were also organised for adults and families, with around 13,700 participants recorded. The Gallerie hosted around 510 initiatives and cultural events (study days, meetings, talks, courses, book presentations, press conferences, and musical events), with around 36,100 participants. Highlights included 60 sessions of the public programme #Inside (in-depth sessions on exhibition themes open to the public) and over 70 concerts from the *È aperto a tutti quanti* cycle with students from the Conservatory of Music in Naples (as part of the Sound project). The museum venues also host events in support of the Bank's other structures.

Lastly, Progetto Cultura also includes the coordination of the activities of the Palazzo degli Alberti Gallery in Prato and the Casa Museo of the Fondazione Ivan Bruschi in Arezzo.

Focus on the 2025 Jubilee

Intesa Sanpaolo contributed to some of the most significant cultural projects hosted in Rome during the Jubilee year. As main partner and lender of artworks from the corporate collection, Intesa Sanpaolo participated in: the major exhibition *Caravaggio 2025* together with the Gallerie Nazionali di Arte Antica-Palazzo Barberini, which saw the loan of the *Martirio di sant'Orsola* by Merisi, a masterpiece of the Group's art collections (for the occasion, a documentary focusing on *Sant'Orsola* was produced by Sky Arte in collaboration with the Bank, and a docufilm by 3D Produzioni on the relationship between Merisi and the Jubilee of 1600, premiered at the Vatican Film Library); the exhibition *En route* together with the Vatican Apostolic Library (in partnership with the Communications and Corporate Image Department), which also featured the *Mappa* by Alighiero Boetti; and the Rome Art Quadriennale at the Palazzo delle Esposizioni (again in partnership with the Communications and Corporate Image Department), accompanied by an exhibition dedicated to the 1956 Quadriennale featuring the sculpture *Acrobata* by Giovanni Romagnoli.
Alongside the Quadriennale, we organised the *Restituzioni 2025* exhibition at the Palaexpo under the High Patronage of the President of the Republic, bringing to the capital for the first time, in this special Jubilee year, an exhibition dedicated to the restoration of our national artistic heritage (see the section *Restituzioni*).
Lastly, alongside the Dicastero per la Cultura e l'Educazione of the Holy See, the Bank was the main partner of the Vatican Pavilion at the Venice Biennale of Architecture (the *Opera Aperta* work-in-progress project for the regeneration of the former church of Santa Maria Ausiliatrice in Venice, supported by the Communications and Corporate Image Department).

Restituzioni

Restituzioni – described as "the most extensive project dedicated to Italy's cultural beauty" – is the three-year restoration programme dedicated to safeguarding and enhancing the national artistic and architectural heritage, supported and curated by Intesa Sanpaolo since 1989 in collaboration with the regional bodies of the Ministry of Culture.
In 2025, the closing exhibition of the 20th edition of the programme was held at the Palazzo delle Esposizioni in Rome, which, over the last three years, has seen 128 artworks restored from 67 museums, churches and archaeological sites across all Italian regions, in partnership with 51 protection entities (Inspectorates, Regional Museum Directorates and Autonomous Museums). The artworks were restored and studied thanks to the efforts of 60 restoration laboratories and the involvement of hundreds of diagnostic experts, art historians, archaeologists and archivists. The selection of artworks fully reflects the diversity of Italian heritage, both in chronological terms and in the variety of materials and techniques, bringing together famous masterpieces (such as the imposing *Cavallo colossale* by Antonio Canova, reassembled thanks to a complex restoration) and lesser-known artworks, provided they are significant for the cultural roots and identity of their communities of origin. The programme has maintained its international and European focus, with the restoration of a Flemish altarpiece in collaboration with the Institut Royal du Patrimoine Artistique in Brussels. The exhibition in Rome, curated by Giorgio Bonsanti, Carla Di Francesco and Carlo

Bertelli as curator emeritus, and organised in collaboration with Azienda Speciale Palaexpo, provided the opportunity to bring the restored artworks together in the capital and present them to the public before their "restitution" to their places of origin. The venue underlines the national significance of the project as an exemplary model of public-private cooperation.
Lastly, within the *Restituzioni monumentali* programme, this year saw the completion of the work on the precious mediaeval frescoes in the apse of the church of Santa Maria *foris portas*, in the Castelseprio Archaeological Park (Varese).

Art Assets

Intesa Sanpaolo's art collections contain around 40,000 artworks, ranging from archaeology to contemporary art (including management of the Agrati Collection, as well as the collections of Fondazione Cariplo and Banca Popolare di Vicenza in compulsory administrative liquidation). Due to its completeness and quality, it is considered one of the most important corporate collections in Europe. The assets are constantly subject to study, protection, and promotion activities, aimed at increasing their accessibility to the public, mainly at the Gallerie d'Italia venues.
The main activities carried out during the year are described below:

– the Diogene Project (a programme for verifying the placement, conservation status and classification of artworks spread across the Bank's various offices) continued with the activities related to the artworks included in the "other assets of historical and decorative interest" asset class;
– 257 conservation projects, carried out in close cooperation with expert restorers, restoration laboratories and centres of excellence in the sector (such as Fondazione Centro Conservazione e Restauro "La Venaria Reale"); these included the significant conservation restoration project for the *Martirio di sant'Orsola* by Caravaggio, on the occasion of the loan for *Caravaggio 2025* in Rome, under the supervision of the Inspectorate: the painting was cleaned, improving its legibility and revealing new details, enhanced with a period frame, and fitted with a state-of-the-art conservation system to guarantee the highest levels of protection and security;
– 178 logistical operations (ranging from outfitting of bank sites to the reorganisation of storage facilities) involving the movement of around 2,060 artworks;
– the promotion of the Bank's collections is ensured not only by the exhibition projects at the Gallerie d'Italia mentioned above, but also through loans to national institutions, loans for exhibitions in Italy and abroad, and the joint organisation of initiatives dedicated to collectors' groups, especially in areas of strategic importance for the Group, both in Italy (in particular where the Bank Foundations are present) and internationally (in particular where the Group has its international banks):
  - loans for use to 4 entities (for a total of 88 artworks made available for public display): 16 paintings from the Marche region dating from the 15th to the 18th centuries to the Ministry of Culture – Regional Museum Directorate in Marche region – Galleria Nazionale delle Marche (Urbino); 57 artworks from the 17th-18th centuries in the Emilia region to Fondazione Cassa di Risparmio di Mirandola (Mirandola, Modena); 6 paintings by Teofilo Patini to the Municipality of Castel di Sangro (L'Aquila) – Pinacoteca Patiniana; renewal of the loan for use of 9 items (Brussels tapestries and 17th and 18th century Piedmontese paintings) to Consorzio delle Residenze Reali Sabaude – Reggia di Venaria Reale;
  - loan of a total of 336 artworks for 65 temporary exhibitions hosted in Italy and abroad:
    in addition to the prestigious projects in the capital (see *Focus on the 2025 Jubilee* section), the artworks featured in exhibitions in numerous Italian museums (including Mart – Museum of Modern and Contemporary Art of Trento and Rovereto; La Grande Brera – Palazzo Citterio, Milan; ADI Design Museum Compasso d'Oro, Milan; Castello Visconteo, Pavia; GAM – Civic Gallery of Modern and Contemporary Art, Turin; Guggenheim, Venice; Ca' Pesaro – Galleria Nazionale d'Arte Moderna, Venice; Padua, Palazzo del Monte di Pietà; Palazzo Ducale, Genoa; Museo Giovanni Fattori, Livorno; Palazzo Pepoli, Bologna; Musei di San Domenico, Forlì; Palazzo Ducale, Urbino; GNAMC – Gallery of Modern and Contemporary Art, Rome; MUST – Museo Storico della Città di Lecce; Reggia di Caserta; and MACC – Museo d'Arte Contemporanea del Carmine in Scicli, Ragusa).
    The initiatives at the international venues (such as Centre de la Vieille Charité, Marseille; Musée de Grenoble; Kunstmuseum Ravensburg; and Diözesanmuseum Freising) included two exhibitions dedicated exclusively to the Bank's collections: 46 artworks for the exhibition *Viaggio in Italia* at Villa Vauban in the City of Luxembourg, in partnership with Intesa Sanpaolo Bank Luxembourg and the Italian Embassy; 36 artworks for the exhibition *Il fascino dell'antico* at the Dacia-Romania Palace in Bucharest, on the occasion of the merger of First Bank into Intesa Sanpaolo Bank Romania, with the involvement of the Italian Embassy and the Italian Cultural Institute in Bucharest. These were accompanied by 4 loans for an exhibition at the Manly Art Gallery & Museum in Sydney, promoted in collaboration with the Italian Cultural Institute and the Consulate General of Italy, with the participation of Intesa Sanpaolo - IMI Corporate & Investment Banking Division - Sydney Branch;
  - the dialogue continues with Fondazione Cassa di Risparmio di Pistoia e Pescia, Fondazione Cassa di Risparmio di Jesi, and Fondazione Bruschi in Arezzo, regarding the promotion of the Group's collections with strong identity value for the various local communities;
– Fair value and art advisory: following the 2023 update of the carrying value of all the valuable art assets, this year the three-year process of fair value measurement of the assets will involve monitoring of the top lots (corresponding, as per practice, to 75% of the value of valuable assets) through two scenario analyses, for the first and second half of the year, considering market trends in the reference period. The process is managed with the Administration, Regulatory Reporting & Tax Affairs Coordination Area and with the support of Art Defender, a company specialised in art valuation. The Art Advisory activities continued for collections owned by Intesa Sanpaolo, by companies or foundations of the Intesa Sanpaolo Group or significant customers of the Banca dei Territori or Private Banking (such as support for customers visiting the galleries at Miart, Artissima fairs – for which a talk specifically focused on young Italian artists was organised in collaboration with the Osservatorio Arte Contemporanea and Intesa Sanpaolo Private Banking – and Luxembourg Art Week). During the year, 63 acquisition proposals and 15 donation proposals for individual artworks or entire collections were also managed.

Historical archive

The Group's Historical Archive is one of the first and most important bank archives in Europe. It holds 20 linear kilometres of papers, spanning from the 1360s to the 2000s, from the banks merged into the Group, and manages the Publifoto Archive consisting of 7 million photographs kept at the Gallerie d'Italia in Turin. The archive assets are subject to extensive activities for their conservation, restoration, digitalisation, inventorying, cataloguing, and promotion, with particular attention to improving public access through the most advanced digital technologies available (such as the publication of the data in the innovative LOD-Linked Open Data format).
Group Archives: the core activities continued, including the digitisation of around 80,000 pages of paper documentation (over one million pages digitised to date, part of which are available online, including the minutes of the Board of Directors meetings of the Group Banks since 1960); cataloguing of historical documents (projects such as *Carte dei Vertici, Fondi del Personale, Patrimonio IMI*) with the processing of over 20,000 new record cards (tens of thousands of inventory and catalogue files are now available to the public); projects for the publication of data in LOD format (relating to the *EGELI Project,* the *Publifoto Archive* and *Archivi che imprese!*); the *Carte dell'arte* project for reorganisation and research on documents relating to artworks from the Group's art collections; activities for the recovery, recording and conservation of personnel files for staff who left the Group's banks more than 10 years ago; the *Archivi Digitali* Project (saving of 8,170 digitally native documents produced by the bank); increased use of the Archive's websites (188,104 users and 633,688 page views in 2025); support for study and research: 318 research requests, 22 theses in progress, 646 days of consultation in reading rooms (Milan, Rome and Turin; Bergamo and Venice); continued commitment to educational outreach to promote access to the Archive and its documents by university and other students; numerous research and promotion projects undertaken in collaboration with the Archives, universities, network partners and other institutions (including Fondazione 1563, Università degli Studi di Milano, Turin Polytechnic, the Italian Banking Association, Milan City Council, Museimpresa, and Rete Fotografia, Rete degli archivi per non dimenticare, as well as digitally native documents produced by the bank); and lastly, the Archive's materials have been promoted through exhibitions, conferences and special visits.
Publifoto Archive: the activities carried out included the restoration of 6,049 photographs; the digitisation of 6,288 photographs (around 65,000 photographs have now been digitised, around 35,000 of which are available online); cataloguing of 6,200 record cards (photographs, photo shoots, and authority record cards); the project in collaboration with ICCD-Istituto Centrale per il Catalogo e la Documentazione, which led to the addition, in LOD format, of an initial collection of 35,000 photographs from the Publifoto Archive to the Ministry of Culture's Photography Collections portal (this marks the entry of the first private partner in the ministerial portal); other promotion projects: exhibitions featuring images from the Archive (see the Gallerie d'Italia exhibitions), educational activities and dedicated visits; among the special projects, the *Prints Project* continues (a further 17,611 historical original prints catalogued and an additional 750 photographer names identified) as well as the *Eva Barret Project* (examination of the previously unstudied archive of the British photographer held in Publifoto Archive).

The Group's cultural assets are also promoted to foster employee engagement, through the multi-year ***Art & People*** project initiatives aimed at staff and implemented with various internal stakeholders, also during this year, focusing on topics such as inclusion, gender equality, personal individuality, and accessibility (over 2,100 Group employees reached to date, in addition to 1,000 participants in the initiatives organised with ISPROUD during the *Jess Dugan* exhibition at the Gallerie in Milan). In addition, the *Arte e Cultura* Tribe, launched in June 2024, has now been joined over 3,200.

Partnerships, sponsorships and donations

Progetto Cultura, in particular through the Gallerie d'Italia, builds and nurtures partnerships with public and private entities, both national and international, using a network approach that reinforces the common goal of promoting Italy's cultural heritage, with a preference for forms of collaboration where the Bank's contribution consists of support and also co-design and the sharing of content, collections, spaces, and relationships.
In addition to the important partnerships mentioned in *Focus on the 2025 Jubilee* section and the co-productions of exhibition projects mentioned in the *Gallerie d'Italia – Exhibition Projects* section, the following were of note in 2025:

- ongoing relations with the bank foundations, including Fondazione Compagnia di San Paolo, Fondazione Cariplo, Fondazione Cariparo, Fondazione Cassa di Risparmio di Firenze, Fondazione Cassa di Risparmio di Cuneo, Fondazione Cassa dei Risparmi di Forlì, and Fondazione Cassa di Risparmio di Pistoia e Pescia;
- Art Bonus donations in support of public cultural heritage: reconstruction of the Amatrice church destroyed by the earthquake; establishment of the new site of the Galleria d'Arte Moderna e Contemporanea in Bergamo; renewal of the internal courtyard of the Palazzo del Collegio dei Nobili at the Egyptian Museum of Turin; restoration of the Teatro Alessandro Manzoni in Pistoia; restoration of the Regina 17 building in Cernobbio for the creation of a Training Campus for the International Academy of Tourism and Hospitality Lake Como; refurbishment of spaces in the Biblioteca Palatina in the Monumental Complex of the Pilotta in Parma; maintenance of the buildings hosting the Fondazione Polo del '900 in Turin; restoration of the majestic and precious Antegnati Organ in the church of San Giuseppe in Brescia; support for activities or specific projects of museums and cultural venues including Castello di Rivoli, La Grande Brera in Milan, Palazzo Ducale and National Museums of Genoa, Palazzo Strozzi in Florence, Fortezza del Girifalco in Cortona, Galleria Borghese and Gallerie Nazionali d'Arte Antica in Rome, Historical Museum of Lecce, and Galleria Nazionale in Cosenza;
- main partnership in the leading international art fairs in Italy, also featuring the Bank's own exhibition initiatives: *Miart*, modern and contemporary art fair in Milan (with the Private Banking Division and the IMI Corporate & Investment Banking Division) and *Artissima*, contemporary art fair in Turin;
- promotion of books and reading: main partnership in the *Salone Internazionale del Libro di Torino* (also bringing to the fair a Gallerie d'Italia project by photographer Carrie Mae Weems in collaboration with the Polaroid Foundation; the partnership also includes the Fair's initiatives *Un libro tante scuole* and *Portici di carta*);
- partnerships with museums in Italy, supporting projects and implementing joint initiatives, including: Castello di Rivoli; Reggia di Venaria; Museo Nazionale del Risorgimento Italiano, Turin; Fondazione Torino Musei-Palazzo Madama; La

Grande Brera (Pinacoteca di Brera, Palazzo Citterio), Milan; Museo Poldi Pezzoli, Milan; Veneranda Biblioteca Ambrosiana, Milan; Museo Egizio, Turin; Gallerie dell'Accademia in Venice; Musei Civici di Bassano del Grappa; Fondazione Palazzo Strozzi, Florence; Fondazione Ivan Bruschi, Arezzo; and GNAMC-Galleria Nazionale di Arte Moderna e Contemporanea in Rome;

- promotion of photography: main partnership in the *International Festival of Photography Cortona On The Move* (also contributing with our own exhibition content); and institutional partnership of *Exposed-Torino Foto Festival* and CAMERA-Centro Italiano per la Fotografia in Turin;
- promotion of archive assets: main partnership with *Archivissima*, Turin; support for the activities of Museimpresa, Rete Fotografia, and EABH-European Association for Banking and Financial History, Fondazione 1563 per l'arte e la cultura (historical archive of the Compagnia di San Paolo);
- promotion of music: sponsorships of *Festival Milano Musica, Palazzo Marino in Musica, Società del Quartetto* in Milan, *Stresa Festival*, and the training initiatives *Esperienza Orchestra* with the Orchestra Filarmonica del Teatro Regio di Torino and *MusiCasanova* with Associazione Scarlatti in Naples;
- main partnership in *Buonissima*, the gastronomic festival in Turin which combines art, culture and haute cuisine;
- contribution to cultural organisations such as CIRCI-Associazione Centro Internazionale di Ricerca della Cultura dell'Infanzia, Centro Studi Piemontesi, Osservatorio Arte Contemporanea, and Study Center Vasily Grossman, Turin;
- support for research projects by the Accademia di Belle Arti di Brera and "L'Orientale" University of Naples;
- collaborations in training projects (see the section below);
- ongoing collaboration with the Ministry of the Interior-Department for Civil Liberties and Immigration-Fund for Religious Buildings, for which the Bank, drawing on its experience in managing art assets, has developed a model for the fair value measurement of art assets, applicable to the assets of the Fund for places of worship (in cooperation with the Chief Institutional Affairs and External Communication Officer);
- ongoing collaborations in research and innovation projects with internal and external stakeholders (Cultural Heritage Hub; projects with the Università degli Studi di Torino and with Intesa Sanpaolo for Social Impact dedicated to measuring the social impact of museums);
- international partnerships: lead exhibition sponsor of the major exhibition *Siena* at the National Gallery, London (partnership shared with the Communications and Corporate Image Department), in addition to the partnership with Villa Vauban (Luxembourg) during the *Viaggio in Italia* exhibition featuring artworks from the corporate collection.

Training and skill development projects in the arts and culture

Training and skill development projects in the arts and culture are offered in collaboration with higher education institutions and schools, with a particular focus on young people. The projects carried out in 2025 included:

- *Gallerie d'Italia Academy*: the 5th edition of the Advanced Training Course in the *Management of Artistic and Cultural Heritage and Corporate Collections* took place, a project in partnership with Compagnia di San Paolo, Fondazione Cariplo, Ministry of Culture - Fondazione Scuola Nazionale del Patrimonio e delle Attività Culturali, Fondazione 1563, and Digit'Ed, aimed at consolidating the knowledge of professionals in the cultural sector, based on the expertise built over the years through Progetto Cultura. This year, the Course recorded 130 applications, 30 participants, 14 scholarships for under-35s, over 50 teachers, 162 hours of lessons, and job shadowing at the partners.
  The first *RenAIssance* masterclass on the potential of Artificial Intelligence in the cultural sector was also launched in collaboration with Talent Garden and was attended free of charge by 30 professionals from the "Gallerie d'Italia Academy Alumni" community (currently comprising around 180 former students of the Courses);
- projects by the Gallerie d'Italia in Turin with academic bodies in the visual arts sector, in particular with students from the IED-Istituto Europeo di Design in Turin, Milan, Rome and Florence (launch of the three-year photography and training project *Ti vorrei dire* with the conclusion of the first stage entitled *The Dreamers*).

Digital promotion and enhancement

The promotion of the Gallerie d'Italia activities and the Bank's art and archive assets and of the partnership projects is also continuing through the production and dissemination of content on the digital and social channels of Gallerie d'Italia and the Group, which are generating strong results in terms of views and interactions. Activities aimed at adhering to SEO (Search Engine Optimisation) best practices continued, improving the visibility and positioning of the Gallerie d'Italia website in organic search engine results. A separate working group focused on activities aimed at strengthening the authoritativeness of the website following the introduction of AI Overview (a Google feature using artificial intelligence to provide a synthesis of information directly within the results page, aggregating content from various authoritative sources) [28]. The promotion of these initiatives also involves support from the press, radio and digital media through specific agreements (notably with Il Giornale dell'Arte)[29] in collaboration with the Communications and Corporate Image Department. In parallel, the work continued on the company intranet aimed at encouraging staff engagement[30]. Lastly, the Gallerie d'Italia App, a digital guide that offers an enhanced and interactive visit experience in the four museum venues, has recorded 95,304 downloads to date, and the *Archivio Vivo* ledwall

[28] This includes, for example, the millions of impressions generated by digital, organic social and advertising content relating to the main exhibitions opened in 2025 (6 million for *Eterno e visione*, 14 million for *JR. Chi sei Napoli?*, 12.4 million for *Jeff Wall*, and 5.8 million for *Cristina Mittermeier*; data provided by the Communications and Corporate Image Department). The trend in organic traffic is positive, as confirmed by the following Google visibility indicators (2025 vs 2024): 3.8 million impressions (+23%), 135,000 visits (+3%), 19,000 keywords associated with our activities recorded on Google, and 7% of keywords on the first page of Google search. In Google's AI Overview section, the keyword "martirio di sant'orsola" entered by users was viewed 880 times, in 4th place among the AI-generated text results (data from Google Search Console).

[29] In terms of media visibility, in 2025 the Gallerie d'Italia, including citations, recorded 5,148 appearances in newspaper articles and 218 on radio and TV (data from Media & Associations Relations).

[30] 238 news items, 15 articles on Mosaic, and 37 clips/podcasts.

at the Gallerie di Torino, which allows visitors to download photos from the Publifoto Archive through the App, has so far recorded 33,086 downloads.

Publishing partnership with Allemandi

The Società Editrice Allemandi, acquired in December 2024 by Intesa Sanpaolo together with Fondazione 1563, an operative arm of Compagnia di San Paolo, and Fondazione CRC, is the publishing partner of Gallerie d'Italia, producing its publications. Within Progetto Cultura, 15 volumes were published in 2025 (the exhibition catalogues for our museum venues and for the 20th edition of *Restituzioni*, books dedicated to the Bank's art collections, the Agrati Collection and the Historical Archive), in addition to several volumes resulting from Group partnerships (such as the catalogue of the exhibition *Tesori dei faraoni* at the Scuderie del Quirinale, the photographic book by Ray Giubilo marking the ATP Finals in Turin, the book for the 25th anniversary of the Cinema Museum, the catalogue of the Pavilion of the Holy See at the Venice Biennale and the publication *Nessuno Escluso*, recounting some of Intesa Sanpaolo's most significant social initiatives).

Main risks and uncertainties

The information on the main risks and uncertainties to which the Intesa Sanpaolo Group is exposed is described in the Report on operations and in the Notes to the consolidated financial statements.

As usual, the introductory part of this chapter provides a summary of the background scenario, which is discussed in more detail in the chapter "The macroeconomic context and the banking system" and supplemented, in the chapter "Forecast for 2026", with theforward-looking information also regarding the associated risks.

Moreover, this chapter includes an update of the disclosure on the management of the main risk aspects for the Intesa Sanpaolo Group linked to the military conflict between Russia and Ukraine. Further information in this regard is provided in the Notes to the consolidated financial statements: (i) in Part A - Accounting policies, Section 5 - Other Aspects, which examines certain aspects of the risks and uncertainties related to the war; and (ii) Part E - Information on risks and relative hedging policies, in the section on credit risk, where details are provided of the exposures to Russia and Ukraine and the related valuation aspects.

General information on risks, and in particular on financial risks (credit risks and market risks), liquidity and operational risks, sovereign risk and risks related to certain types of financial products/instruments, as well as the risks of the insurance companies and the other companies, is as usual contained in Part E of the Notes to the consolidated financial statements.

In relation to ESG (Environmental, Social and Governance) risks and climate risk, Part A, Section 5 – Other Aspects, of the Notes to the consolidated financial statements describes the characteristics and risk aspects of the financial instruments within the Group's green financing activities. Information is also provided on how the Intesa Sanpaolo Group identifies and monitors climate-related issues, to be read together with Part E, Scope of risks, which discusses the integration into the risk management framework of ESG risks and climate risk in particular.
Additional information can also be found in the Consolidated Sustainability Statement, contained in the Report on operations.

With regard to capital strength, the Report on operations includes, as usual, the disclosure on own funds and capital ratios, supplemented by Part F of the Notes to the consolidated financial statements.

As usual, further details on the risks to which the Group is exposed are provided in the update of the Basel 3 Pillar 3 Disclosure.

Lastly, with regard to the going concern assumption, the Directors of Intesa Sanpaolo re-affirm that they have a reasonable certainty that the Company and the Group will continue in operational existence in the foreseeable future and consequently the Financial statements as at 31 December 2025 have been prepared on a going concern basis. The Directors have not detected any uncertainties in the consolidated balance sheet and financial structure or in the operating performance of the Group that question the going concern assumption.

The macroeconomic context and the banking system

The macroeconomic context and the banking system

The macroeconomic context

The economy and the financial and foreign exchange markets

In 2025, the global macroeconomic scenario was strongly influenced by the introduction of high import tariffs by the United States, following a process that was neither linear nor organised. The high average level of the tariffs, their extension to numerous sectors, and the uncertainty regarding their duration continued to weigh on investment decisions and market participants' expectations. Despite this, the risk of a sharp slowdown in global economic activity and a decrease in trade flows did not materialise. The partial suspension of measures against China and the subsequent year-end trade truce helped ease financial tensions, although they did not completely eliminate uncertainty. In contrast, the breakout of a brief conflict between Iran, Israel and the United States had no significant repercussions on the global economy.

In the United States, the average annual growth of the GPD slowed compared to 2024, but the growth rate was robust in the third quarter (+1.1% on the previous period). Final domestic demand – particularly investments related to the development of artificial intelligence – continued to provide strong support to economic activity. Net exports provided a volatile contribution, reflecting strategies of front-loading and reorganisation of supply chains by businesses. However, imports fell overall. The inflationary impact of the protectionist measures was significant but lower than expected: the easing of pressure on services thus cooled off the trend in the general price index. In this context, following a pause in the first half of the year, the Federal Reserve resumed easing from September 2025, lowering the key interest rate to the range of 3.50–3.75% in November. Monetary policy is now taking a cautious approach, while political pressure to cut interest rates further has increased.

In 2025, euro area economic growth was modest, but better than expected overall. After a relatively favourable start to the year, also due to the front-loading of US orders, activity weakened in the middle quarters. GDP growth remained moderate (according to the preliminary estimate: 1.3% year-on-year in the fourth quarter 2025 and an annual average of 1.5%), with a more favourable trend in Southern European countries compared to the main core countries. Business confidence, initially penalised by trade tensions, was supported during the year by the announcement of an extensive long-term fiscal stimulus plan in Germany, whose direct macroeconomic effects, however, are limited in the short-term. Inflation continued to slow during 2025, returning close to 2% towards the end of the year. In this context, the European Central Bank cut official rates four times in the first half of the year, bringing the deposit rate to 2.00%, and kept them unchanged during the second half. The Eurosystem's balance sheet continued to shrink in an orderly manner, through the non-reinvestment of maturing securities, without generating significant tensions on the monetary markets. The reduction in excess reserves has not yet translated into higher demand for liquidity in refinancing operations.

In Italy, 2025 ended with weak, but positive economic growth, estimated at 0.8% in the fourth quarter, with an annual average of 0.7%. After a good start to the year, activity was stagnant in the second quarter, but recovered in the second half. The slight growth reflects the slowdown in foreign demand and the continued modest contribution of consumption. Non-residential investment was still the most dynamic component of domestic demand, while the construction sector showed signs of slowing. After a phase of sharp contraction in the summer months, industrial production stabilised towards the end of the year. The labour market continued to show resilience: employment grew year-on-year, with the unemployment rate remaining close to historic lows of around 6%. The rise in collectively agreed wages, which outpaced inflation, allowed a partial recovery in household purchasing power, although propensity to save remained high.

On the financial front, 2025 was characterised by a gradual easing of short-term monetary conditions, accompanied by a moderate increase in long-term euro yields, particularly in the second half of the year. Ten-year swap rates in the euro area were 50 basis points higher at the end of 2025 than at the beginning of the year, reflecting more resilient growth expectations and an increase in the net supply of debt securities. The ten-year BTP-Bund spread gradually narrowed over the year, after a temporary widening in April coinciding with tensions over US tariffs, ending 2025 at levels a good 51 basis points lower than those at the end of 2024. The foreign exchange markets were characterised by high volatility in the first half: the US dollar weakened on the Euro, which closed the year at levels much higher than at the beginning of the year, thought below the peaks reached in the summer period. Nonetheless, there were minimum repercussions on US government bonds: 10-year yields on federal bonds actually dropped compared to the end of 2024. The Japanese Yen also saw large fluctuations, partly linked to the asynchrony of the monetary policy cycles and partly to political developments.

In 2025, the euro area stock markets had largely positive performance, continuing the bullish trend of the previous year, though with phases of extreme volatility in the period, reflecting the evolution of the international geopolitical scenario.

European stock indices rose in the initial months of the year, driven by decreasing energy costs, the announcement of fiscal stimulus plans in Germany, and a rotation of investors' portfolios from US tech stocks to the European markets. On the Italian stock market, the continuation of the consolidation phase in the banking sector contributed to the improvement of the index.

After reaching their relative peak in March, indices suffered a sharp correction at the beginning of April, following the announcement of reciprocal tariffs between the US and the EU by the Trump administration, eliminating the progress from the start of the year, and bottoming out on 9 April. The announcement of a 90-day suspension of the reciprocal tariffs then triggered a strong recovery in stock prices, which reached new peaks around mid-May.

Following a short phase of correction due to the tensions in the Middle-East, stock indices recovered, with a strong bullish trend continuing until mid-November, also supported by corporate results in the 2nd and 3rd quarters, which showed improving profitability in the financial sectors, and resilience of margins for non-financial sectors.

In the last few weeks of the year, a new phase of sectoral rotation away from US technology stocks and a more prudent approach by investors resulted in consolidation of the levels reached.
The Euro Stoxx index ended the year up 21.2%. The CAC 40 underperformed (+10.4%), as a reflection of political uncertainties, while the DAX showed a positive performance (+23.0%). The IBEX 35 significantly outperformed (+49.3% in the period). Outside the euro area, the Swiss SMI index closed 2025 at +14.4%, while the FTSE 100 index in the UK rose by +21.5%.
The US equity market recorded positive performance: the S&P 500 index ended the period at +16.4%, while the NASDAQ 100 technology stocks index recorded a rise of 20.2%. The main stock markets in Asia showed significant increases: the NIKKEI 225 index closed the year at +26.2% and the Chinese SSE Composite index at +18.4%.
The Italian equity market showed largely positive performance for the third consecutive year: the FTSE MIB index closed 2025 at +31.5% and the FTSE Italia All Share index at +31.0%. Mid-cap stocks (FTSE Italia STAR) underperformed, recording a rise of +10.2%.
The European corporate bond market reported a positive performance in 2025, with risk premiums (measured as asset swap spreads - ASW) tightening.
After a favourable start to the year, at the end of March spreads gradually widened, with sharp acceleration starting on 2 April ("Liberation Day"). The risk-off phase continued until 9 April, when spreads reached their peaks for the period. The announcement of a 90-day suspension of the application of the tariffs then triggered a phase of strong recovery, which continued to mid-May. In the second half of the year, spreads continued to tighten, though with several short phases of volatility.
Volumes on the primary market were strong, also due to the positive combination of favourable lending conditions (in terms of spreads) for issuers, and the search for returns by investors. In this regard, it is important to note increasing volumes of issues of subordinated instruments by non-financial companies (+20%). ESG issues recorded a slight decline, with green bonds confirming their role as the greatest contributor (around 80% of the total).
In terms of performance, Investment Grade securities ended 2025 at 76 basis points compared to 99 at the beginning of the year, and the 120 reached on 9 April. The trends by sector were similar: financial -25% and non-financial -22%. The results for High Yield securities were partially different – at 267 basis points compared to 292 at the beginning of the year and 399 at the beginning of April – with performance diverging between financial and non-financial bonds (+5 basis points to 297, and -30 basis points to 263, respectively). The performance of CDS indices (iTraxx) was also positive.

The economies and markets of the countries where the Intesa Sanpaolo Group has a presence

In the main countries where Intesa Sanpaolo has a presence, the GDP of Central Eastern Europe (CEE) rose by 2.5% year-on-year in the first nine months of 2025, slightly less than the trend seen in the fourth quarter of 2024 (2.9%). Economic expansion was quite lively in the Czech Republic (2.6%), while there were more modest trends in Slovakia, Slovenia and Hungary, where GDP growth was less than 1.0%. In South-Eastern Europe (SEE), GDP growth reached 1.7% (substantially in line with 1.6% in the fourth quarter of 2024), once again driven by the strong performances of Croatia (+3.1%) and Serbia (+1.9%), which offset the relative weakness shown by the Romanian economy (+1.4%). In the same period, in Eastern Europe (EE), GDP recovered in Moldova in the second quarter (year-on-year changes from the first to the third quarter were -0.9%, +1.1% and +5.5%) and also grew in Ukraine (+0.9%, +0.7% and +2.1%). Finally, Egypt's growth accelerated to 5.3% year-on-year in the third quarter, from +4.8% in the first quarter and +5.0% in the second quarter.
In line with the global scenario, inflation slowed down in 2025. In December, the year-on-year change in the harmonised consumer price index was 2.6% in the CEE area and 3.3% in the SEE area, though excluding Romania where, instead, due to internal economic policy (easing of restrictions on administered prices) and a strong trend in wages, inflation came to 8.6%. In Eastern Europe (EE), due to the significant weight of the figure for Russia, inflation in December amounted to 6.8%. Lastly, in Egypt the year-on-year increase of the consumer price index decelerated to 12.3% at year-end.
With regard to monetary policy, the picture is mixed, reflecting the different levels of inflation. In the CEE and SEE countries where Intesa Sanpaolo has a presence, the monetary easing cycle has paused, and for some countries it has ended. Central banks have kept key interest rates unchanged in their last meetings in the Czech Republic (at 3.5%) and in Hungary (at 6.5%), while in the SEE countries at 2.5%, 6.5% and 5.75% respectively in Albania, Romania and Serbia. In Russia, the policy rate has been cut by 5 percentage points during the year to 16.0% due to the easing of inflationary pressures. Vice versa, in Ukraine the Central bank hiked interest rates from 13.5% to 15.5% in the first half of 2025 due to the persistent inflationary pressures. In Moldova the Central bank increased interest rates up to 6.50%, and in August began an easing of monetary policy, bringing the policy rate to 5.0%. Lastly, in Egypt, the key interest rate continued to decrease during 2025, dropping from 28.5% at the beginning of the year to 21.0%.
Turning to financial markets, in 2025 the MSCI Emerging Markets Equity Index, denominated in US dollars, rose (+30.6%). Among the countries where Intesa Sanpaolo has a presence in the CEE/SEE area, some of the local currency stock indices recorded double-digit gains, with the biggest rises seen in the Czech Republic, Slovenia, Romania and Hungary. Increases in Bosnia Herzegovina, Croatia and Serbia were more moderate. Following the losses recorded in the third quarter, the stock market in Slovakia showed an overall recovery in prices at year-end, which returned to the values of one year before. Stock markets in Russia and Ukraine continued to be affected by operational difficulties due to the ongoing war. In the Middle East and North Africa (MENA) region, the Egyptian stock exchange ended the year well into positive territory.
In the foreign exchange markets, in relation to the US Dollar (USD/local currency), there was a widespread strengthening of the main currencies of the CEE/SEE/EE countries where Intesa Sanpaolo subsidiaries operate. In the MENA area, the Egyptian pound appreciated. In relation to the Euro, worthy of note among the CEE/SEE countries were the greater gains of the rouble, the Hungarian forint and the Czech koruna. The positive performances of the Polish zloty and Albanian lek were less strong. Losses were reported by the Ukraine hryvnia, but also, to a lesser extent, by the Romanian and Moldovan leu.
In 2025, there was a narrowing of yield spreads year-on-year between emerging market and US government bonds (EMBI Plus -93 basis points) and a reduction in the cost of credit risk protection (CDS -49 basis points).

The Italian banking system

Interest rates and spreads

In general, 2025 was a year of two phases for banking rates: an initial phase, up to around the summer months, in which the transmission of the ECB's official rate cuts on loans and deposits continued until June, and the final part of the year marked by substantial stabilisation. For new lending transactions to non-financial companies, the average interest rate decreased until August, losing one percentage point compared to the end of 2024, to then show signs of rising in the last quarter. The average interest rate on disbursements of mortgage loans to households showed a different trend, stopping its decrease at the beginning of 2025, reporting a subsequent rise due to the increase in the fixed rate benchmark – the 10-year IRS. Since August, the interest rate on new mortgages has stood at around 3.3%. Gradually, the average rate on the stock of loans to households and businesses decreased up to August, to then stabilise slightly under 4.0%, down by around 50 basis points compared to twelve months earlier.

Also for deposit rates, the decreases in 2025 were concentrated in the first eight months, followed by stability for rates on the stock of deposits and a slight increase in those on new time deposits. The stickiness of overnight rates and the high proportion of current accounts in total deposits have influenced the trend in the average deposit rate, which has fallen only slightly. The overall cost of funding from customers reflected the trend in deposit rates, given that the bond interest rate was substantially unchanged.

The spread between lending and funding rates narrowed by almost one-fourth of a point in the first half, ending the year essentially unchanged. On average, in 2025 it dropped by around 40 basis points compared to 2024, to 3.1%. The mark-down on on-demand deposits continued to decrease up to the summer months, to then stabilise at 1.62% throughout the second half. The annual average came to 1.81%, a decrease of 1.2 percentage points on 2024. Conversely, the mark-up on short-term lending rates expanded slightly.

Loans

During 2025, loans to businesses recovered significantly, supported by favourable lending conditions and an improvement in the demand for loans, driven by investments in capital goods and less use of self-financing. In June, loans to non-financial companies returned to growth, after almost two years of decline. The positive trend continued in the second half, gradually accelerating. The resumption of medium/long-term loans was key, with disbursements for investments in capital goods increasing by double digits, also reflecting the incentives set out in the Transition 4.0 and 5.0 plans. As a result, in July, the stock of medium/long-term loans began to grow again, exiting from a negative cycle that had lasted over three years. Short-term loans, which recovered in the last part of 2024, increased throughout 2025, showing a moderate slowdown in the trend in the second half. Growth in loans to households gradually gained strength over the year, rising from +0.4% in January to +2.5% in December. The trend was driven by the acceleration in mortgage loans for house purchase, along with the continued robust growth in consumer credit (annual average of 4.5%). Due to the drop in interest rates on new transactions, launched in 2024 for the fixed rate, which also involved the floating rate in 2025, new disbursements of mortgage loans reported double digit growth also in the second half of the year. The stock of mortgage loans reached a growth rate of 3.4% in December. That trend reflected the positive performance of the real estate market, which, in the first three quarters, confirmed the increase in residential property purchases, and steady growth in house prices.

Credit quality showed substantial stability or slight improvements. The default rate in terms of annualised flow of non-performing loans to total performing loans changed slightly, to 1.25% in the third quarter, compared to 1.33% in the last quarter of 2024. A similar trend was seen in the default rate of loans to businesses, while the indicator of loans to households showed a gradual decline. For significant banks, the stock of non-performing loans as a percentage of total loans decreased to 2.2% in September, gross of adjustments, from 2.4% twelve months earlier and 2.3% at the end of 2024.

Funding from customers

In 2025 deposits showed a good growth rate, with an annual average of 2.3%, slightly more robust in the second half. The positive trend regarded both household deposits and those of non-financial companies. The cumulative figures from January to December summarise the dynamics recorded over the last year in household deposits, which increased by 31 billion euro, compared to around 18 billion euro in 2024. Liquidity of 9.6 billion euro was allocated to non-financial company deposits, a moderately lower amount than that deposited in 2024. Current accounts represented the lion's share, with significant inflows for households and businesses, and average total stock growth of 4.6% in the second half. Differently, following the shift towards time deposits seen in the two previous years, time deposits have decreased significantly since March 2025, due to the drop in interest rates offered on such accounts.
For bonds, a first half still slowing down was followed by the return to moderate growth in the second half. On the whole, the trend of total funding from customers was in line with deposits. More robust growth was seen in total funding: this figure includes ECB refinancing and deposits from non-residents, and benefited from double-digit growth in the latter, as well as a smaller decline in liabilities to the Eurosystem.

Indirect deposits and asset management

With regard to assets under administration, during 2025, direct investments by savers in securities remained significant but were lower overall than in the two previous years. From January to December 2025, debt securities of households in custody at banks increased by 39 billion euro, an amount lower than the increase of 46 billion euro reported in 2024 and the 149 billion euro in 2023, confirming that the shift of investments towards government bonds can be considered essentially achieved. As further evidence of the continuing positive situation of business liquidity, their debt securities in custody at banks recorded a sharp increase of almost 18 billion euro from January to December, higher than the 16 billion euro in 2024.
In 2025, the asset management industry achieved satisfying results in terms of net inflows and positive performance, due to the favourable trend in the markets, despite a first quarter that was negatively impacted by the corrections on stock indices. Net flows to open-ended investment funds were supported by the inflows to bond and monetary funds, which more than offset outflows from the equity, balanced and flexible segments. Portfolio management schemes also recorded net inflows, after two years of negative figures, with contributions from both institutional mandates and retail portfolios.
For life insurance, the balance between gross premiums and incurred claims was positive in the first three quarters, clearly improving on the same period of 2024, driven by traditional policies, which, in the nine months, recorded an increase in gross premiums and a drop in charges. For unit-linked policies, gross premiums in the first three quarters showed double digit growth, against decreasing charges after two consecutive years of increase. In terms of new business, the comparison between the cumulative figure up to December and 2024 shows a double digit increase for policies with significant financial content, while traditional policies grew slightly, indicating the segment settling down.

Economic results and balance sheet aggregates

Economic results

General aspects

A condensed reclassified consolidated income statement has been prepared to give a more immediate understanding of results. In addition to the amounts referring to 2025, the format adopted shows the comparative figures for 2024 and their quarterly development.
To ensure comparison on a like-for-like basis, the income statement data of the previous periods are normally restated, where necessary and material, to make them as consistent as possible with the different periods presented, particularly in relation to any changes in the scope of consolidation.

In this Report on operations, the reclassified consolidated income statement figures for the first two quarters of 2024 were restated to take account of the following changes in the scope of consolidation, with the conventional attribution of the net economic effect to the caption Minority interests:

- the inclusion of the Romanian bank First Bank S.A.[31], acquired on 31 May 2024, whose income statement figures were consolidated from the third quarter of 2024;
- the inclusion of Alpian S.A., previously consolidated using the equity method, following the capital increase finalised in the third quarter of 2024, which brought the percentage of the Group's stake in the company to 61.599%, of which 51.141% held by Fideuram - Intesa Sanpaolo Private Banking and 10.458% by Reyl & Cie (in this regard, see the information disclosed in the Highlights section of the 2024 Annual Report)[32]. On consolidating the income statement of Alpian for the quarters indicated on a line-by-line basis, the contribution of the company in terms of dividends and profits (losses) on investments carried at equity, included among Other operating income (expenses) of the reclassified consolidated income statement, was derecognised.

Certain aggregations and reclassifications have been made with respect to the format envisaged in Circular 262 of the Bank of Italy. Breakdowns of restatements, aggregations and reclassifications are provided in separate tables included in the attachments to this report, as also required by Consob in its Communication 6064293 of 28 July 2006.

The aggregations and reclassifications of captions in the Reclassified consolidated income statement refer to:

- dividends relating to shares or units in the portfolio held by the banking segment and dividends collected or paid within the framework of securities lending, which have been classified to Profits (losses) on financial assets and liabilities at fair value;
- portions of Net interest income, Dividends, Profits (losses) on trading, Profits (losses) on disposal or repurchase of financial assets/liabilities, Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss, Net losses/recoveries for credit risk associated with financial assets measured at amortised cost and with financial assets measured at fair value through other comprehensive income pertaining to insurance companies, which are posted, along with the Insurance service result and the Balance of financial income and expenses related to insurance operations, in the specific caption Income from insurance business. The Insurance service result is considered excluding the related operating costs (personnel expenses, administrative expenses and amortisation/depreciation) and the fees and commissions paid to financial advisors of the Private Banking Division for placing and managing insurance products which, in line with the representation of costs by the nature of the expense, are attributed to the specific captions;
- differentials on derivatives, classified to the trading book and contracted to hedge transactions in foreign currencies, which have been allocated among Net interest income owing to the close correlation;
- net fee and commission income, which includes the above-mentioned fees and commissions paid to financial advisors of the Private Banking Division for placing and managing insurance products, in line with the representation of costs by the nature of the expense;
- Profits (losses) on trading, Fair value adjustments in hedge accounting, Profits (losses) on other financial assets and liabilities measured at fair value through profit or loss, Profits (losses) on disposal or repurchase of financial assets measured at fair value through other comprehensive income and on disposal or repurchase of financial liabilities – for the portion contributed by the banking segment – which have been reclassified to the single caption Profits (losses) on financial assets and liabilities at fair value, except for any amounts relating to adjustments to portions of loans mandatorily measured at fair value which, as they relate to the measurements of credit positions, are reclassified to the caption Net adjustments to loans in order to permit unitary representation of the adjustments relating to the same position;
- the share of the premium on the issue of the certificates paid to the networks for their placement, which is reclassified from Profits (losses) on trading and Profits (losses) on other financial assets and liabilities measured at fair value through profit or loss to Net fee and commission income;
- the return components of the insurance policies taken out to cover contractual indemnities and retention plans for financial advisors, which are deducted directly from Profits (Losses) on financial assets and liabilities at fair value, in accordance with the valuation effect of the assets in question, rather than being presented – as attributable to the advisors – among

[31] With legal effect from 31 October 2025, First Bank S.A. was merged into Banca Comerciala Intesa Sanpaolo Romania S.A. (Intesa Sanpaolo Bank Romania).

[32] Following the finalisation of: (i) the first tranche of CHF 25 million of a new capital increase of Alpian in June 2025, and (ii) the second tranche of CHF 15 million in November 2025, both fully subscribed by Fideuram - Intesa Sanpaolo Private Banking, including the portion of unsubscribed shares attributable to Reyl & Cie and other shareholders, the Group's direct percentage stake in the company as at 31 December 2025 rose to 70.828%, of which 62.884% held by Fideuram - Intesa Sanpaolo Private Banking and 7.944% by Reyl & Cie.

Other net provisions and net impairment losses on other assets (for valuation effects) or among Net fee and commission income or Other operating income (expenses), depending on the type of insurance policy used (for effects from realisation);

- the operating income and costs of entities operating in sectors entirely distinct from banking and finance, synthetically classified to Other operating income (expenses), including those of the entities not subject to management and coordination within the framework of the Group (Risanamento and its subsidiaries);
- the costs of several incentive systems for employees of the Group's distribution networks, where funded by fee and commission income generated by the networks in question on the basis of deterministic quantification criteria correlated to the revenues concerned, which are reclassified from Personnel expenses to Fee and commission expense by analogy to the accounting treatment of incentive systems for non-employee financial advisors;
- the recoveries of expenses and indirect taxes, which are deducted from Administrative expenses, rather than being included under Other operating income (expenses), as well as the amounts relating to certain taxes of some international subsidiary banks, which – due to their nature – have been reclassified from Administrative expenses to Taxes on income;
- operating costs, which include the above operating costs relating to the Insurance service result attributed to the specific captions (personnel expenses, administrative expenses and amortisation/depreciation), in line with the representation of costs by the nature of the expense;
- profits and losses on disposal or repurchase of financial assets measured at amortised cost (loans and debt securities representing loans) held by the banking segment, which have been allocated to Net adjustments to loans;
- the portion of net losses/recoveries for credit risk associated with financial assets measured at amortised cost (loans and debt securities representing loans) and financial assets measured at fair value through other comprehensive income contributed by the banking segment, the effects on the income statement of the changes in contracts without derecognition as well as the net provisions for risks and charges for credit risk relating to commitments and guarantees given, attributed to the single caption Net adjustments to loans. The caption also includes any amounts relating to credit risk adjustments to portions of loans mandatorily measured at fair value, which, as they relate to the measurement of credit positions, are reclassified to the caption Net adjustments to loans to permit unitary representation of the adjustments relating to the same position;
- the reversal in the time value of Employee termination indemnities and Allowances for risks and charges, which has been included among Net interest income, as a phenomenon deriving directly from the application of the amortised cost criterion, in the absence of changes in projected future cash flows, in keeping with the treatment of the time value of financial assets measured at amortised cost;
- Net losses for credit risk associated with financial assets measured at amortised cost other than loans and net impairment losses on equity investments, as well as property and equipment and intangible assets (including property and other assets, also those resulting from the enforcement of guarantees or purchase at auction and intended for sale on the market in the near future), which have been reclassified to Other net provisions and net impairment losses on other assets. This last caption consequently includes – in addition to the provisions for risks and charges other than those relating to commitments and guarantees – the valuation effects of the assets other than loans, with the sole exception of impairment losses on intangible assets that are reclassified to Impairment (net of tax) of goodwill and other intangible assets;
- realised profits (losses) on financial assets measured at amortised cost other than loans, on equity investments and on other investments, which have been reclassified to Other income (expenses). Accordingly, in addition to the income and expenses not strictly related to operations, this caption represents the summary of the effects from the disposal of assets other than loans. Profits (Losses) realised on debt securities represent an exception; in view of their business model, which involves management closely correlated with the other financial instruments, they are classified to Profits (Losses) on financial assets and liabilities at fair value;
- the amount paid by Intesa Sanpaolo to the National Resolution Fund under the settlement agreement signed by Intesa Sanpaolo (as the absorbing company of the former UBI Banca) and the Bank of Italy (as the managing entity of the National Resolution Fund) in May 2024 – aimed at regulating an aspect of the contract signed on 18 January 2017 between UBI Banca and the National Resolution Fund for the transfer from the Fund to UBI Banca of the entire share capital of Nuova Banca delle Marche S.p.A., Nuova Banca dell'Etruria e del Lazio S.p.A. and Nuova Cassa di Risparmio di Chieti S.p.A. – which was reclassified from Other operating expenses (income) to Taxes on income;
- Charges (net of tax) for integration and exit incentives, which are reclassified from Personnel expenses, Administrative expenses and other captions of the income statement to a separate caption;
- the Effect of purchase price allocation, net of tax, which is indicated in a specific caption. It normally represents adjustments to and any impairment losses on financial assets and liabilities as well as property, equipment and intangible assets which are measured at fair value as provided for by IFRS 3;
- Levies and other charges concerning the banking and insurance industry, with the latter relating to the Group's contribution to the Life Insurance Guarantee Fund, which have been reclassified, net of tax, to the specific caption;
- Impairment of goodwill and other intangible assets, which – where present – is shown net of tax in this specific caption, as stated above.

Reclassified consolidated income statement

(millions of euro)

	2025	2024	Changes	
			amount	%
Net interest income	14,796	15,718	-922	-5.9
Net fee and commission income	9,980	9,386	594	6.3
Income from insurance business	1,815	1,735	80	4.6
Profits (Losses) on financial assets and liabilities at fair value	691	256	435	
Other operating income (expenses)	-12	12	-24	
Operating income	**27,270**	**27,107**	**163**	**0.6**
Personnel expenses	-7,019	-7,185	-166	-2.3
Administrative expenses	-3,028	-2,979	49	1.6
Adjustments to property, equipment and intangible assets	-1,453	-1,406	47	3.3
Operating costs	**-11,500**	**-11,570**	**-70**	**-0.6**
Operating margin	**15,770**	**15,537**	**233**	**1.5**
Net adjustments to loans	-1,745	-1,274	471	37.0
Other net provisions and net impairment losses on other assets	-392	-680	-288	-42.4
Other income (expenses)	-171	153	-324	
Income (Loss) from discontinued operations	-	-	-	-
Gross income (loss)	**13,462**	**13,736**	**-274**	**-2.0**
Taxes on income	-3,579	-4,048	-469	-11.6
Charges (net of tax) for integration and exit incentives	-353	-587	-234	-39.9
Effect of purchase price allocation (net of tax)	-76	-94	-18	-19.1
Levies and other charges concerning the banking and insurance industry (net of tax)	-113	-348	-235	-67.5
Impairment (net of tax) of goodwill and other intangible assets	-	-	-	-
Minority interests	-20	7	-27	
Net income (loss)	**9,321**	**8,666**	**655**	**7.6**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

Quarterly development of the reclassified consolidated income statement

(millions of euro)

	2025				2024			
	Fourth quarter	Third quarter	Second quarter	First quarter	Fourth quarter	Third quarter	Second quarter	First quarter
Net interest income	3,684	3,680	3,800	3,632	3,801	3,942	4,028	3,947
Net fee and commission income	2,652	2,444	2,449	2,435	2,416	2,307	2,387	2,276
Income from insurance business	443	450	460	462	424	408	448	455
Profits (Losses) on financial assets and liabilities at fair value	58	81	287	265	5	150	20	81
Other operating income (expenses)	1	-12	1	-2	22	-5	-2	-3
Operating income	**6,838**	**6,643**	**6,997**	**6,792**	**6,668**	**6,802**	**6,881**	**6,756**
Personnel expenses	-2,164	-1,666	-1,606	-1,583	-2,285	-1,679	-1,619	-1,602
Administrative expenses	-992	-691	-722	-623	-911	-713	-725	-630
Adjustments to property, equipment and intangible assets	-388	-357	-336	-372	-388	-344	-315	-359
Operating costs	**-3,544**	**-2,714**	**-2,664**	**-2,578**	**-3,584**	**-2,736**	**-2,659**	**-2,591**
Operating margin	**3,294**	**3,929**	**4,333**	**4,214**	**3,084**	**4,066**	**4,222**	**4,165**
Net adjustments to loans	-962	-278	-281	-224	-482	-238	-320	-234
Other net provisions and net impairment losses on other assets	-250	-35	-84	-23	-353	-150	-125	-52
Other income (expenses)	-190	-2	25	-4	67	-2	31	57
Income (Loss) from discontinued operations	-	-	-	-	-	-	-	-
Gross income (loss)	**1,892**	**3,614**	**3,993**	**3,963**	**2,316**	**3,676**	**3,808**	**3,936**
Taxes on income	77	-1,152	-1,254	-1,250	-345	-1,189	-1,234	-1,280
Charges (net of tax) for integration and exit incentives	-164	-64	-68	-57	-424	-61	-46	-56
Effect of purchase price allocation (net of tax)	-14	-17	-21	-24	-12	-28	-25	-29
Levies and other charges concerning the banking and insurance industry (net of tax)	-60	-3	-41	-9	-55	1	-37	-257
Impairment (net of tax) of goodwill and other intangible assets	-	-	-	-	-	-	-	-
Minority interests	2	-6	-8	-8	19	2	-1	-13
Net income (loss)	**1,733**	**2,372**	**2,601**	**2,615**	**1,499**	**2,401**	**2,465**	**2,301**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

Operating income

In an economic environment featuring continuing uncertainty at international level, in 2025, the Intesa Sanpaolo Group achieved excellent results in terms of profitability, liquidity and capital strength, which translated into the best performance in terms of operating income, operating margin and net income since 2007, the year the Group was established. Operating income amounted to 27,270 million euro in 2025, slightly up by 0.6% on the figure in 2024 (27,107 million euro). That trend was essentially due to the increase in net fee and commission income, profits (losses) on financial assets and liabilities at fair value and income deriving from insurance business, largely offset by the decrease in net interest income, which in 2024 had benefited from higher interest rates.

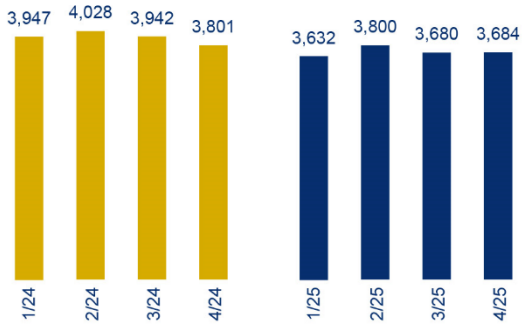
Net interest income

(millions of euro)

	2025	2024	Changes	
			amount	%
Relations with customers	12,061	13,934	-1,873	-13.4
Securities issued	-3,983	-4,623	-640	-13.8
Customer dealing	**8,078**	**9,311**	**-1,233**	**-13.2**
Instruments measured at amortised cost which do not constitute loans	1,905	1,836	69	3.8
Other financial assets and liabilities measured at fair value through profit or loss	282	162	120	74.1
Other financial assets measured at fair value through other comprehensive income	2,693	2,354	339	14.4
Financial assets and liabilities	**4,880**	**4,352**	**528**	**12.1**
Relations with banks	**324**	**648**	**-324**	**-50.0**
Differentials on hedging derivatives	**202**	**-142**	**344**	
Other net interest income	**1,312**	**1,549**	**-237**	**-15.3**
Net interest income	**14,796**	**15,718**	**-922**	**-5.9**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

Quarterly development
Net interest income
(millions of euro)



Net interest income was 14,796 million euro, down by 5.9% on 2024. Specifically, a lower contribution came from customer dealing (-13.2%, or -1,233 million euro), due to the decrease in interest on relations with customers following the ECB's reduction of interest rates, partly attenuated by lower interest expense on securities issued. Conversely, financial assets and liabilities increased (+12.1%, or +528 million euro) thanks to the positive performance of all the components: other financial assets measured at fair value through other comprehensive income (+339 million euro) and other financial assets and liabilities at fair value through profit and loss (+120 million euro) and instruments measured at amortised cost which do not constitute loans (+69 million euro).

Differentials on hedging derivatives showed a favourable trend, reaching positive levels (202 million euro compared to -142 million euro in 2024).

Net interest income on relations with banks decreased by 50% (-324 million euro), impacted by operations with the ECB.

It must be noted that the trend in relations with banks also incorporates the effects of the evolution of operations with the ECB, in terms of both stocks and interest rates applied. During 2025, those relations only concerned on-demand deposits of available liquidity, as the funds previously obtained through the TLTRO operations were gradually repaid during the first three quarters of 2024.

More in detail, in 2025, operations with the ECB generated interest income of 411 million euro. Instead, in 2024, the following was recorded: (i) interest income of 1,792 million euro, reflecting average deposited balances 2.5 times higher than those in 2025 and an average weighted interest rate applied - the Deposit Facility Rate - of 3.8%, compared to 2.3% in 2025, against (ii) interest expense on TLTRO III loans of 526 million euro.

Finally, other net interest income, inclusive of the income accrued on non-performing assets and other transactions with customers, amounted to 1,312 million euro (-237 million euro).

(millions of euro)

	2025				Changes %		
	Fourth quarter (a)	Third quarter (b)	Second quarter (c)	First quarter (d)	(a/b)	(b/c)	(c/d)
Relations with customers	2,993	2,974	3,042	3,052	0.6	-2.2	-0.3
Securities issued	-956	-971	-982	-1,074	-1.5	-1.1	-8.6
Customer dealing	**2,037**	**2,003**	**2,060**	**1,978**	**1.7**	**-2.8**	**4.1**
Instruments measured at amortised cost which do not constitute loans	502	484	486	433	3.7	-0.4	12.2
Other financial assets and liabilities measured at fair value through profit or loss	88	75	69	50	17.3	8.7	38.0
Other financial assets measured at fair value through other comprehensive income	691	680	688	634	1.6	-1.2	8.5
Financial assets and liabilities	**1,281**	**1,239**	**1,243**	**1,117**	**3.4**	**-0.3**	**11.3**
Relations with banks	**35**	**66**	**81**	**142**	**-47.0**	**-18.5**	**-43.0**
Differentials on hedging derivatives	**35**	**83**	**52**	**32**	**-57.8**	**59.6**	**62.5**
Other net interest income	**296**	**289**	**364**	**363**	**2.4**	**-20.6**	**0.3**
Net interest income	**3,684**	**3,680**	**3,800**	**3,632**	**0.1**	**-3.2**	**4.6**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

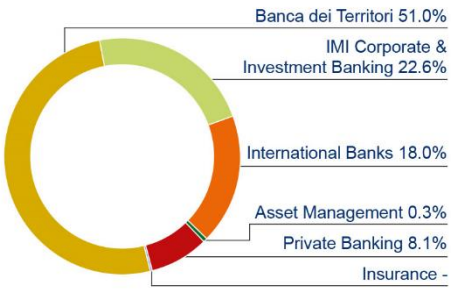
The net interest income flow in the fourth quarter of 2025 recorded a value slightly higher than the first and third quarters, but lower than the second quarter, remaining resilient against a declining trend in interest rates.

(millions of euro)

	2025	2024	Changes	
			amount	%
Banca dei Territori	6,890	6,854	36	0.5
IMI Corporate & Investment Banking	3,062	3,075	-13	-0.4
International Banks	2,439	2,525	-86	-3.4
Private Banking	1,100	1,181	-81	-6.9
Asset Management	42	61	-19	-31.1
Insurance	-	-	-	-
Total business areas	**13,533**	**13,696**	**-163**	**-1.2**
Corporate Centre	1,263	2,022	-759	-37.5
Intesa Sanpaolo Group	**14,796**	**15,718**	**-922**	**-5.9**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents.

Business areas
Net interest income



The Banca dei Territori Division, which accounts for 51% of the operating business areas' results, showed substantial stability in net interest income in 2025 (+0.5%). The IMI Corporate & Investment Banking Division reported net interest income at levels similar to those of 2024 (-0.4%).
The other business units saw a decrease in net interest income: the International Banks Division (-3.4%, or -86 million euro), mainly due to the trend of subsidiaries operating in Croatia, Hungary, Serbia and Romania, partly offset by the increase recognised by the Slovak subsidiary, the Private Banking Division (-6.9%, or -81 million euro), and the Asset Management Division (-31.1%, or -19 million euro).
The Corporate Centre's net interest income decreased sharply (-759 million euro), due to the drop in market interest rates.

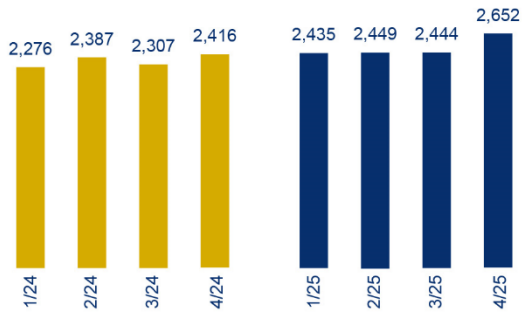
Net fee and commission income

(millions of euro)

	2025			2024			Changes	
	Income	Expense	Net	Income	Expense	Net	amount	%
Guarantees given / received	500	-335	165	508	-321	187	-22	-11.8
Collection and payment services	842	-139	703	858	-147	711	-8	-1.1
Current accounts	1,305	-	1,305	1,322	-	1,322	-17	-1.3
Credit and debit cards	989	-580	409	961	-542	419	-10	-2.4
Commercial banking activities	**3,636**	**-1,054**	**2,582**	**3,649**	**-1,010**	**2,639**	**-57**	**-2.2**
Dealing and placement of securities	1,676	-264	1,412	1,333	-283	1,050	362	34.5
Currency dealing	17	-5	12	17	-6	11	1	9.1
Portfolio management	4,010	-1,214	2,796	3,818	-1,108	2,710	86	3.2
Distribution of insurance products	1,652	-	1,652	1,575	-	1,575	77	4.9
Other	706	-272	434	587	-201	386	48	12.4
Management, dealing and consultancy activities	**8,061**	**-1,755**	**6,306**	**7,330**	**-1,598**	**5,732**	**574**	**10.0**
Other net fee and commission income	**1,368**	**-276**	**1,092**	**1,292**	**-277**	**1,015**	**77**	**7.6**
Net fee and commission income	**13,065**	**-3,085**	**9,980**	**12,271**	**-2,885**	**9,386**	**594**	**6.3**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

Quarterly development
Net fee and commission income
(millions of euro)



The net fee and commission income earned in 2025 amounted to 9,980 million euro, up by 6.3% from the 9,386 million euro recorded in 2024.
This result was essentially driven by the increase in fees and commissions on management, dealing and consultancy activities (+10%, or +574 million euro). In detail, there was an increase in the contribution from dealing and placement of securities (+34.5%, or +362 million euro), supported by new placements of mutual funds and certificates, portfolio management schemes (+86 million euro), specifically collective schemes, commission from the distribution of insurance products (+77 million euro) and other management and dealing commissions (+48 million euro), in particular related to advisory activities.
In contrast, fees and commissions on commercial banking activities decreased (-2.2%, or -57 million euro) on all components.
Lastly, other net fee and commission income increased (+77 million euro), mainly in relation to higher fee and commission income on loans.

(millions of euro)

	2025				Changes %		
	Fourth quarter (a)	Third quarter (b)	Second quarter (c)	First quarter (d)	(a/b)	(b/c)	(c/d)
Guarantees given / received	41	43	43	38	-4.7	-	13.2
Collection and payment services	192	165	176	170	16.4	-6.3	3.5
Current accounts	330	325	327	323	1.5	-0.6	1.2
Credit and debit cards	113	94	116	86	20.2	-19.0	34.9
Commercial banking activities	**676**	**627**	**662**	**617**	**7.8**	**-5.3**	**7.3**
Dealing and placement of securities	351	328	360	373	7.0	-8.9	-3.5
Currency dealing	3	4	2	3	-25.0		-33.3
Portfolio management	777	675	659	685	15.1	2.4	-3.8
Distribution of insurance products	423	417	412	400	1.4	1.2	3.0
Other	103	111	108	112	-7.2	2.8	-3.6
Management, dealing and consultancy activities	**1,657**	**1,535**	**1,541**	**1,573**	**7.9**	**-0.4**	**-2.0**
Other net fee and commission income	**319**	**282**	**246**	**245**	**13.1**	**14.6**	**0.4**
Net fee and commission income	**2,652**	**2,444**	**2,449**	**2,435**	**8.5**	**-0.2**	**0.6**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

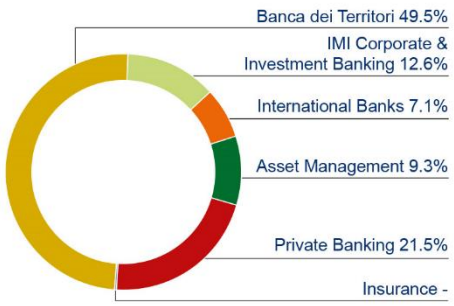
During the fourth quarter of 2025, the caption reported a value higher than all previous quarters, and was also the highest quarterly value since 2007.

(millions of euro)

	2025	2024	Changes	
			amount	%
Banca dei Territori	5,161	4,881	280	5.7
IMI Corporate & Investment Banking	1,318	1,286	32	2.5
International Banks	738	648	90	13.9
Private Banking	2,247	2,094	153	7.3
Asset Management	966	895	71	7.9
Insurance	4	4	-	-
Total business areas	**10,434**	**9,808**	**626**	**6.4**
Corporate Centre	-454	-422	32	7.6
Intesa Sanpaolo Group	**9,980**	**9,386**	**594**	**6.3**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents.

Business areas
Net fee and commission income



With regard to the business areas, the Banca dei Territori Division, which accounts for 49.5% of the business units' results, recorded growth in fee and commission income in 2025 (+5.7%, or +280 million euro), attributable to the assets under management and assets under administration segments, supported by placement levels higher than in 2024, a greater contribution from advisory and the non-life insurance segment. The other Divisions also posted an increase in fee and commission income, specifically: Private Banking (+7.3%, or +153 million euro), mainly driven by recurring component related to the increase in average assets under management, International Banks (+13.9%, or +90 million euro), mainly thanks to the positive contribution of the subsidiaries operating in Slovakia, Croatia, Serbia and Hungary, Asset Management (+7.9%, or +71 million euro), in relation to the growth in incentive fees, placement fees on mutual funds and recurring fees, and the IMI Corporate & Investment Banking Division (+2.5%, or +32 million euro), essentially due to the performance of structured lending and investment banking.

For the Corporate Centre, the negative balance of the net fee and commission income increased.

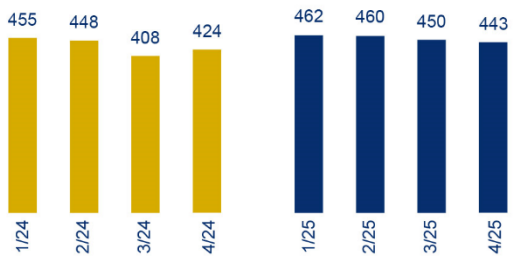
Income from insurance business

(millions of euro)

	2025			2024			Changes	
	Life	Non-life	Total	Life	Non-life	Total	amount	%
TECHNICAL MARGIN	**840**	**531**	**1,371**	**838**	**489**	**1,327**	**44**	**3.3**
Contractual service margin release	1,195	55	1,250	1,079	65	1,144	106	9.3
Claims, expected expenses and other amounts	659	1,365	2,024	637	1,219	1,856	168	9.1
Insurance revenue	**1,854**	**1,420**	**3,274**	**1,716**	**1,284**	**3,000**	**274**	**9.1**
Total actual claims and expenses	-874	-886	-1,760	-799	-794	-1,593	167	10.5
Other Insurance Expenses	-140	-3	-143	-79	-1	-80	63	78.8
Insurance expenses	**-1,014**	**-889**	**-1,903**	**-878**	**-795**	**-1,673**	**230**	**13.7**
NET INVESTMENT RESULT	**400**	**39**	**439**	**357**	**32**	**389**	**50**	**12.9**
Net financial income and expenses related to insurance contracts issued	-5,290	-16	-5,306	-5,794	-10	-5,804	-498	-8.6
Net interest income	2,289	63	2,352	2,226	53	2,279	73	3.2
Dividends	690	-	690	519	-	519	171	32.9
Gains/losses on disposal	-1,238	8	-1,230	1,107	-3	1,104	-2,334	
Valuation gains/losses	3,742	-2	3,740	2,070	-	2,070	1,670	80.7
Net fee and commission income	207	-14	193	229	-8	221	-28	-12.7
Income from insurance business gross of consolidation effects	**1,240**	**570**	**1,810**	**1,195**	**521**	**1,716**	**94**	**5.5**
Consolidation effects	**5**	**-**	**5**	**19**	**-**	**19**	**-14**	**-73.7**
INCOME FROM INSURANCE BUSINESS	**1,245**	**570**	**1,815**	**1,214**	**521**	**1,735**	**80**	**4.6**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

Quarterly development
Income from insurance business
(millions of euro)



Income from insurance business includes the cost and revenue captions of the insurance business, including the reinsurance component, of the Group's life and non-life companies. In 2025, this income came to 1,815 million euro, up on 2024 (+4.6%, or +80 million euro). The trend is attributable both to the non-life business, which specifically benefited from the positive trend in the technical margin, attributable to higher insurance income relating to claims, and the life business, specifically regarding the net investment result, mainly supported by greater valuation gains and lower financial costs.

(millions of euro)

	2025				Changes %		
	Fourth quarter (a)	Third quarter (b)	Second quarter (c)	First quarter (d)	(a/b)	(b/c)	(c/d)
TECHNICAL MARGIN	**324**	**344**	**352**	**351**	**-5.8**	**-2.3**	**0.3**
Contractual service margin release	344	313	294	299	9.9	6.5	-1.7
Claims, expected expenses and other amounts	534	514	487	489	3.9	5.5	-0.4
Insurance revenue	**878**	**827**	**781**	**788**	**6.2**	**5.9**	**-0.9**
Total actual claims and expenses	-469	-453	-422	-416	3.5	7.3	1.4
Other Insurance Expenses	-85	-30	-7	-21			-66.7
Insurance expenses	**-554**	**-483**	**-429**	**-437**	**14.7**	**12.6**	**-1.8**
NET INVESTMENT RESULT	**117**	**106**	**106**	**110**	**10.4**	**-**	**-3.6**
Net financial income and expenses related to insurance contracts issued	-1,467	-1,957	-1,684	-198	-25.0	16.2	
Net interest income	595	577	626	554	3.1	-7.8	13.0
Dividends	211	162	204	113	30.2	-20.6	80.5
Gains/losses on disposal	246	137	-1,036	-577	79.6		79.5
Valuation gains/losses	483	1,139	1,950	168	-57.6	-41.6	
Net fee and commission income	49	48	46	50	2.1	4.3	-8.0
Income from insurance business gross of consolidation effects	**441**	**450**	**458**	**461**	**-2.0**	**-1.7**	**-0.7**
Consolidation effects	**2**	**-**	**2**	**1**	**-**		
INCOME FROM INSURANCE BUSINESS	**443**	**450**	**460**	**462**	**-1.6**	**-2.2**	**-0.4**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

Income from insurance business, inclusive of the life and non-life segments, showed a slightly lower value in the fourth quarter of 2025 than in the other quarters of 2025, as a result of the downtrend in the technical margin.

(millions of euro)

Business	2025		2024
		of which new business	
Life insurance business	**16,855**	***16,533***	**15,417**
Premiums issued on traditional products	8,737	*8,612*	10,734
Premiums issued on unit-linked products	4,420	*4,244*	2,133
Premiums issued on multi-line products	1,512	*1,499*	1,503
Premiums issued on pension funds	2,184	*2,177*	1,044
Premiums issued on capitalisation products	2	*1*	3
Non-life insurance business	**1,645**	***326***	**1,516**
Premiums issued	1,645	*326*	1,516
Premiums ceded to reinsurers	**-138**	***-27***	**-165**
Net premiums issued from insurance products	**18,362**	***16,832***	**16,768**
Business on unit-linked contracts	2,971	*2,940*	2,703
Total business from investment contracts	**2,971**	***2,940***	**2,703**
Total business	**21,333**	***19,772***	**19,471**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

In 2025 total business in the insurance segment amounted to 21.3 billion euro, higher than the business recorded in 2024 (19.5 billion euro). That trend was mainly the result of the increase in unit-linked premiums, specifically those of a mainly insurance nature (+2.3 billion euro), and in pension funds (+1.1 billion euro), which benefited from the acquisition of collective pension agreements, partially offset by the decrease in premiums on traditional products (-2 billion euro). Class III unit-linked policies of a mainly financial nature showed a positive trend (+0.3 billion euro). The non-life business showed an increase (+129 million euro), driven by the positive trend in the non-motor segment, including CPI – Credit Protection Insurance.
New business totalled 19.8 billion euro, accounting for over 90% of the total collected premiums of the Group's insurance companies.

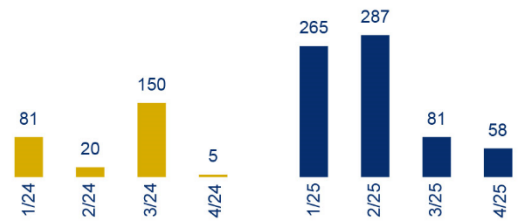
Profits (losses) on financial assets and liabilities at fair value

(millions of euro)

	2025	2024	Changes amount	Changes %
Profits (losses) on trading and on financial instruments under fair value option	-286	-591	-305	-51.6
Profits (losses) on hedges under hedge accounting	-3	7	-10	
Profits (losses) on assets mandatorily measured at fair value through profit or loss	448	366	82	22.4
Profits (losses) on dividends and on disposal of assets measured at fair value through other comprehensive income and disposal of assets at amortised cost	612	478	134	28.0
Profits (losses) on the buyback of financial liabilities	-80	-4	76	
Profits (Losses) on financial assets and liabilities at fair value	**691**	**256**	**435**	

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

Quarterly development
Profits (Losses) on financial assets and liabilities at fair value
(millions of euro)



In 2025, profits (losses) on financial assets and liabilities at fair value, equal to 691 million euro, increased sharply on the amount of 256 million euro recorded in 2024.
The growth was mainly attributable to the improvement in profits (losses) on trading and on financial instruments under fair value option, which reduced the negative value from -591 million euro in 2024 to -286 million euro, specifically benefiting from the management of financial risks linked to operations in certificates measured at fair value, in relation to the decrease in market interest rates. Profits (losses) on dividends and on disposal of assets measured at fair value through other comprehensive income and disposal of assets at amortised cost also showed a favourable trend (+134 million euro), primarily due to the greater contribution of the disposal of HTC securities, mainly government securities, as well as net income from assets measured at fair value through profit or loss (+82 million euro), primarily attributable to the positive trend recorded in equity instruments.
Conversely, negative changes came from profits (losses) on the repurchase of financial liabilities, which increased from -4 million euro in 2024 to -80 million euro, largely attributable to repurchases of own securities on the secondary market, and profits (losses) on hedges under hedge accounting (-10 million euro).

(millions of euro)

	2025				Changes%		
	Fourth quarter (a)	Third quarter (b)	Second quarter (c)	First quarter (d)	(a/b)	(b/c)	(c/d)
Profits (losses) on trading and on financial instruments under fair value option	-226	-125	74	-9	80.8		
Profits (losses) on hedges under hedge accounting	13	-2	-	-14		-	
Profits (losses) on assets mandatorily measured at fair value through profit or loss	220	57	12	159			-92.5
Profits (losses) on dividends and on disposal of assets measured at fair value through other comprehensive income and disposal of assets at amortised cost	64	171	216	161	-62.6	-20.8	34.2
Profits (losses) on the buyback of financial liabilities	-13	-20	-15	-32	-35.0	33.3	-53.1
Profits (Losses) on financial assets and liabilities at fair value	**58**	**81**	**287**	**265**	**-28.4**	**-71.8**	**8.3**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

The result for the fourth quarter of 2025 was lower than in previous quarters. The trend in relation to the third quarter is mainly attributable to profits (losses) on trading and on financial instruments under fair value option and to profits (losses) on dividends and on disposal of assets measured at fair value through other comprehensive income and disposal of assets at amortised cost, the latter mainly attributable to HTC debt securities. Conversely, net income on assets measured at fair value through profit or loss improved, specifically on equity instruments.

Other operating income (expenses)

In 2025 other operating expenses were -12 million euro, compared with income of 12 million euro recorded in 2024. This caption includes both operating income and expenses – including those of subsidiaries not subject to management and coordination and operating in sectors completely distinct from banking and finance – and profits on equity investments carried at equity. The trend in this caption derives from an increase in other operating expenses (+34 million euro), only partially offset by the higher contribution from dividends and profits on investments carried at equity (+10 million euro).

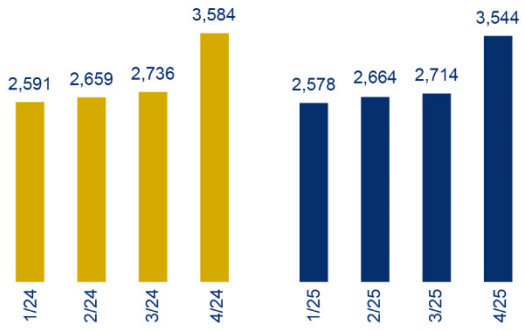
Operating costs

(millions of euro)

	2025	2024	Changes amount	Changes %
Wages and salaries	4,902	5,014	-112	-2.2
Social security charges	1,213	1,259	-46	-3.7
Other	904	912	-8	-0.9
Personnel expenses	**7,019**	**7,185**	**-166**	**-2.3**
Information technology expenses	861	849	12	1.4
Management of real estate assets expenses	326	348	-22	-6.3
General structure costs	445	428	17	4.0
Professional and legal expenses	272	290	-18	-6.2
Advertising and promotional expenses	186	174	12	6.9
Indirect personnel costs	187	177	10	5.6
Other costs	593	569	24	4.2
Indirect taxes and duties	182	175	7	4.0
Recovery of expenses and charges	-24	-31	-7	-22.6
Administrative expenses	**3,028**	**2,979**	**49**	**1.6**
Property and equipment	528	531	-3	-0.6
Intangible assets	925	875	50	5.7
Adjustments	**1,453**	**1,406**	**47**	**3.3**
Operating costs	**11,500**	**11,570**	**-70**	**-0.6**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

Quarterly development
Operating costs
(millions of euro)



In 2025, operating costs amounted to 11,500 million euro, down slightly (-0.6%) compared to the figure recorded in 2024.
Personnel expenses, equal to 7,019 million euro, were down (-2.3%, or -166 million euro): savings on the decrease in the workforce, also due to negotiated exits, and the trend in the variable portion more than offset the contractual and operational increases in the period.
Administrative expenses amounted to 3,028 million euro, up by 1.6%, and incorporate several one-off components, including those pertaining to the Winter Olympic Games and those for transformation initiatives in preparation of the new Business Plan. The main increases were recorded in general structure costs (+17 million euro), information technology expenses (+12 million euro), advertising and promotional expenses (+12 million euro) and other expenses (+24 million euro), the latter partially related to higher costs for other services.
Adjustments to property, equipment and intangible assets, which in accordance with IFRS 16 also include the share relating to rights of use acquired under operating leases, increased (+3.3%) on 2024, due to the intangible assets, driven by technology investments focused on software which continue the process of development already reported in the previous year. Despite the significant technology investments, in 2025 the cost/income ratio amounted to 42.2%, improving on the 42.7% of 2024, placing at the top of the segment in the European banking industry.

(millions of euro)

	2025				Changes %		
	Fourth quarter (a)	Third quarter (b)	Second quarter (c)	First quarter (d)	(a/b)	(b/c)	(c/d)
Wages and salaries	1,551	1,153	1,111	1,087	34.5	3.8	2.2
Social security charges	370	287	280	276	28.9	2.5	1.4
Other	243	226	215	220	7.5	5.1	-2.3
Personnel expenses	**2,164**	**1,666**	**1,606**	**1,583**	**29.9**	**3.7**	**1.5**
Information technology expenses	260	202	203	196	28.7	-0.5	3.6
Management of real estate assets expenses	105	77	74	70	36.4	4.1	5.7
General structure costs	122	105	109	109	16.2	-3.7	-
Professional and legal expenses	102	57	72	41	78.9	-20.8	75.6
Advertising and promotional expenses	91	33	41	21		-19.5	95.2
Indirect personnel costs	54	45	46	42	20.0	-2.2	9.5
Other costs	216	132	136	109	63.6	-2.9	24.8
Indirect taxes and duties	47	45	47	43	4.4	-4.3	9.3
Recovery of expenses and charges	-5	-5	-6	-8	-	-16.7	-25.0
Administrative expenses	**992**	**691**	**722**	**623**	**43.6**	**-4.3**	**15.9**
Property and equipment	133	130	131	134	2.3	-0.8	-2.2
Intangible assets	255	227	205	238	12.3	10.7	-13.9
Adjustments	**388**	**357**	**336**	**372**	**8.7**	**6.3**	**-9.7**
Operating costs	**3,544**	**2,714**	**2,664**	**2,578**	**30.6**	**1.9**	**3.3**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

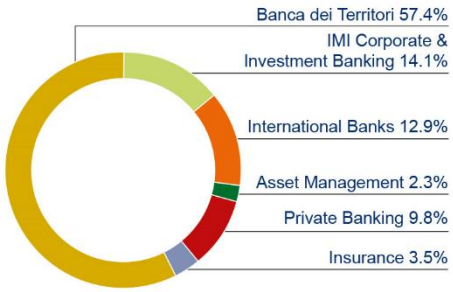
The quarterly comparison shows higher operating costs in the fourth quarter than the values recorded in the previous quarters, due to higher administrative expenses, which incorporate the usual seasonal effects in addition to the afore-mentioned one-off components, and higher personnel expenses.

(millions of euro)

	2025	2024	Changes	
			amount	%
Banca dei Territori	6,306	6,444	-138	-2.1
IMI Corporate & Investment Banking	1,551	1,552	-1	-0.1
International Banks	1,413	1,373	40	2.9
Private Banking	1,080	1,066	14	1.3
Asset Management	251	251	-	-
Insurance	387	380	7	1.8
Total business areas	**10,988**	**11,066**	**-78**	**-0.7**
Corporate Centre	512	504	8	1.6
Intesa Sanpaolo Group	**11,500**	**11,570**	**-70**	**-0.6**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents.

Business areas
Operating costs



At the level of operating costs, the Banca dei Territori Division, which accounts for 57.4% of the costs of the operating business areas, reported a decrease (-2.1%, or -138 million euro), due to savings on personnel and administrative expenses. The costs of the IMI Corporate & Investment Banking Division (-0.1%) and Asset Management Division were substantially stable. Conversely, there were increases for International Banks Division (+2.9%, or +40 million euro), attributable to personnel and administrative expenses, for the Private Banking Division (+1.3%, or +14 million euro), related to all expense components, and for Insurance Division (+1.8%, +7 million euro), specifically attributable to personnel expenses.
Lastly, operating costs of the Corporate Centre increased slightly (+1.6%, or +8 million euro), due to lower charge backs to the business units and higher amortisation and depreciation, largely offset by the decrease in personnel expenses.

Operating margin

The operating margin amounted to 15,770 million euro, up by 1.5% on the amount recorded in the previous year, as a result of the favourable trend in revenues and the focused management of operating costs.

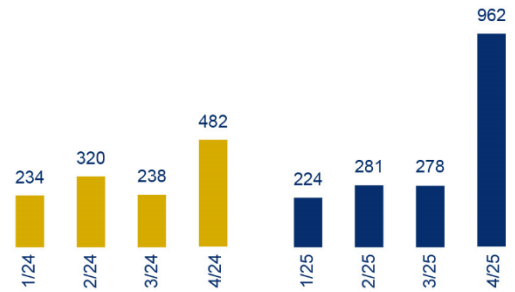
Net adjustments to loans

(millions of euro)

	2025	2024	Changes	
			amount	%
Bad loans	-597	-246	351	
Unlikely to pay	-992	-795	197	24.8
Past due loans	-246	-344	-98	-28.5
Stage 3 loans	**-1,835**	**-1,385**	**450**	**32.5**
of which debt securities	*-2*	*-12*	*-10*	*-83.3*
Stage 2 loans	**83**	**19**	**64**	
of which debt securities	*-6*	*4*	*-10*	
Stage 1 loans	**108**	**200**	**-92**	**-46.0**
of which debt securities	*5*	*13*	*-8*	*-61.5*
Net losses/recoveries on impairment of loans	**-1,644**	**-1,166**	**478**	**41.0**
Profits/losses from changes in contracts without derecognition	**-30**	**-28**	**2**	**7.1**
Net provisions for risks and charges for credit risk associated with commitments and financial guarantees given	**-71**	**-80**	**-9**	**-11.3**
Net adjustments to loans	**-1,745**	**-1,274**	**471**	**37.0**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

Quarterly development
Net adjustments to loans
(millions of euro)



Net adjustments to loans amounted to 1,745 million euro (including provisions to favour de-risking and strengthen the balance sheet) and compare to a value of 1,274 million euro in adjustments recorded in 2024.
The movement in the caption was attributable to an increase in adjustments to Stage 3 non-performing loans (+450 million euro) and, to a minimum extent, the trend in Stage 1 and 2 performing loans, which showed lower recoveries overall (-28 million euro). Conversely, net provisions relating to commitments and guarantees given decreased (-9 million euro). The change in Stage 3 loans amounted to: +351 million euro in adjustments to bad loans, 197 million euro on unlikely-to-pay loans and -98 million euro on past due loans.
In December 2025, the gross NPL to total loan ratio stood at 1.8%, lower than December 2024 (2.3%).
In 2025, the cost of credit, expressed by the ratio of net adjustments to net loans, came to 41 basis points, up on the figure in 2024 (30 basis points) due to the afore-mentioned provisions to favour de-risking, with stable prudential provisions (overlays) in the presence of low inflows from performing loans to non-performing loans (2.6 billion euro in 2025, net of outflows from non-performing loans to performing loans).
The coverage ratio of non-performing loans in December 2025 amounted to 48.6%, compared to 49.5% at the end of 2024. In detail, bad loans required net adjustments of 597 million euro, compared with 246 million euro in 2024, with a coverage ratio of 67.3%. Net adjustments to unlikely-to-pay loans, totalling 992 million euro, were up (24.8%) from 795 million euro recorded in 2024; the coverage ratio for these exposures amounted to 40.8%. Adjustments to past-due loans decreased to 246 million euro from 344 million euro in the previous year, and their coverage ratio was 28.8%. The coverage ratio for forborne positions within the non-performing loan category was 41.4%. Finally, the coverage ratio of performing loans was 0.5% and incorporated the physiological risk inherent in the loan portfolio.

(millions of euro)

	2025				Changes %		
	Fourth quarter (a)	Third quarter (b)	Second quarter (c)	First quarter (d)	(a/b)	(b/c)	(c/d)
Bad loans	-409	-89	-37	-62			-40.3
Unlikely to pay	-518	-117	-207	-150		-43.5	38.0
Past due loans	-29	-80	-77	-60	-63.8	3.9	28.3
Stage 3 loans	**-956**	**-286**	**-321**	**-272**		**-10.9**	**18.0**
of which debt securities	*1*	*-*	*-2*	*-1*	*-*		
Stage 2 loans	**70**	**-30**	**30**	**13**			
of which debt securities	*-5*	*-1*	*1*	*-1*			
Stage 1 loans	**27**	**42**	**14**	**25**	**-35.7**		**-44.0**
of which debt securities	*-*	*4*	*-*	*1*		*-*	
Net losses/recoveries on impairment of loans	**-859**	**-274**	**-277**	**-234**		**-1.1**	**18.4**
Profits/losses from changes in contracts without derecognition	**-25**	**4**	**-2**	**-7**			**-71.4**
Net provisions for risks and charges for credit risk associated with commitments and financial guarantees given	**-78**	**-8**	**-2**	**17**			
Net adjustments to loans	**-962**	**-278**	**-281**	**-224**		**-1.1**	**25.4**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

At quarterly level, in the fourth quarter of 2025, adjustments were higher than in the previous quarters, also in relation to the mentioned initiatives for de-risking and strengthening of the balance sheet.

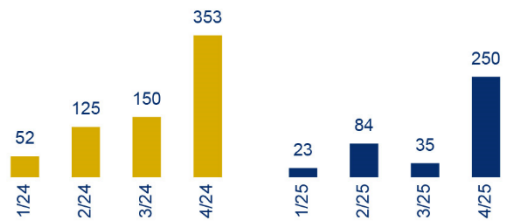
Other net provisions and net impairment losses on other assets

(millions of euro)

	2025	2024	Changes	
			amount	%
Other net provisions	-178	-505	-327	-64.8
Net impairment losses on instruments measured at amortised cost and on instruments measured at fair value through other comprehensive income	-116	-44	72	
Net impairment losses on other assets	-98	-131	-33	-25.2
Other net provisions and net impairment losses on other assets	**-392**	**-680**	**-288**	**-42.4**

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

Quarterly development
Other net provisions and net impairment losses on other assets
(millions of euro)



Within the layout of the reclassified income statement, this caption consists of other net provisions for risks and charges and net impairment losses on other assets and on securities measured at amortised cost and at fair value. In 2025, other net provisions and net impairment losses on other assets amounted to 392 million euro, compared with the 680 million euro recognised in 2024. This positive trend should be viewed in relation to other net provisions, which decreased to 178 million euro compared to 505 million euro in 2024, which included 263 million euro in adjustments relating to write-off of the net income of the subsidiary Banca Intesa Russia to write off its net book value.
In contrast, net impairment losses on securities measured at amortised cost and securities measured at fair value through other comprehensive income reported negative performance, amounting to 116 million euro, mainly referring to the component of securities at amortised cost, compared to 44 million euro in 2024.
Lastly, net impairment losses on other assets decreased (-33 million euro).

(millions of euro)

	2025				Changes %		
	Fourth quarter (a)	Third quarter (b)	Second quarter (c)	First quarter (d)	(a/b)	(b/c)	(c/d)
Other net provisions	-105	-13	-62	2		-79.0	
Net impairment losses on instruments measured at amortised cost and on instruments measured at fair value through other comprehensive income	-58	-17	-17	-24		-	-29.2
Net impairment losses on other assets	-87	-5	-5	-1		-	
Other net provisions and net impairment losses on other assets	**-250**	**-35**	**-84**	**-23**		**-58.3**	

Figures restated, where necessary and material, considering the changes in the scope of consolidation.

In terms of economic performance, the provisions in the fourth quarter of 2025 were significantly higher than in the previous quarters, showing increases in all captions.

Other income (expenses)

In 2025, other income (expenses), which include realised gains and losses on investments, equity investments and financial assets measured at amortised cost other than loans, as well as income/expenses not strictly related to operations, amounted to -171 million euro in expenses, mainly attributable to write-downs to strengthen the balance sheet, compared to 153 million euro in income recognised in 2024, which had benefited from income relating to commercial agreements finalised by the Group.

Gross income (loss)

In 2025, income before tax from continuing operations came to 13,462 million euro, down by 2% compared with 13,736 million euro for 2024.

Taxes on income

Current and deferred taxes came to 3,579 million euro (including a benefit of 669 million euro arising from the recognition of deferred tax assets and other tax components), corresponding to a 26.6% tax rate, lower than that recorded in 2024 (29.5%).

Charges (net of tax) for integration and exit incentives

In 2025, this caption decreased to 353 million euro from the 587 million euro recorded in the previous year, due to lower charges for exit incentives. In 2025, those charges amounted to 58 million euro based on the agreement in December, and in 2024 amounted to 295 million euro based on agreement in October.

Effect of purchase price allocation (net of tax)

This caption comprises the income statement effects (adjustments and/or impairment losses) attributable to the revaluations of loans, debts, real estate and the recognition of new intangible assets, in application of IFRS 3, upon recognition of acquisition of equity investments and/or aggregate assets. In 2025 this caption amounted to -76 million euro, compared to the -94 million euro recorded in 2024.

Levies and other charges concerning the banking and insurance industry (net of tax)

The caption includes the levies imposed by legislative provisions and/or aimed at maintaining the stability of the banking and insurance industry and consequently outside the company management. In 2025, those charges came to 113 million euro, compared to the 348 million euro recorded in 2024, which included 236 million euro relating to deposit guarantee schemes.
The levies recognised during the reporting period include 2 million euro attributable to the European Resolution Fund, 29 million euro to the deposit guarantee schemes, 24 million euro to levies recognised by the international banks and 59 million euro to the life insurance guarantee fund (48 million euro relating to the insurance segment and 11 million euro to the banking segment), as well as a positive 1 million euro deriving from the revaluation of the Atlante Fund.

Minority interests

In 2025, this caption showed net income of 20 million euro attributable to minority interests relating to companies subject to line-by-line scope of consolidation, compared with a figure of 7 million euro in net losses in 2024.

Net income (loss)

The Intesa Sanpaolo Group closed the 2025 with a net income of 9,321 million euro, up by 7.6% on 2024. This result represents the best performance since 2007, underscoring a diversified and resilient business model, with leadership in Wealth Management, Protection & Advisory. The increase benefited from the positive performance of revenues, driven by the strong trends in fees and commissions and the profits on trading, and the focused management of operating costs, even in the presence of significant technological investments.

Balance sheet aggregates

General aspects

A reclassified consolidated balance sheet has been prepared to permit a more immediate understanding of the Group's assets and liabilities.
In addition to the amounts as at 31 December 2025, the format adopted shows the comparative figures as at 31 December 2024 and their quarterly development. To enable a like-for-like comparison, the figures from the previous periods are normally restated, where necessary and material, to make them as consistent as possible, particularly in relation to any changes in the scope of consolidation.
In this Report on operations, the reclassified consolidated balance sheets for the first two quarters of 2024 have been restated to take account of the following changes in the scope of consolidation, with the conventional attribution of the equity of the companies being restated to the caption Minority interests:

- the inclusion of the Romanian bank First Bank S.A.[33], acquired on 31 May 2024, whose balance sheet figures were consolidated from the end of June 2024;
- the inclusion of Alpian S.A., previously consolidated using the equity method, following the capital increase finalised in the third quarter of 2024, which brought the percentage of the Group's stake in the company to 61.599%, of which 51.141% held by Fideuram - Intesa Sanpaolo Private Banking and 10.458% by Reyl & Cie (in this regard, see the information disclosed in the Highlights section of the 2024 Annual Report)[34].

Certain aggregations and reclassifications have been made with respect to the format provided for in Circular 262 of the Bank of Italy. Breakdowns of restatements, aggregations and reclassifications are provided in separate tables included in the attachments to these Consolidated financial statements, as also required by Consob in its Communication 6064293 of 28 July 2006.

Aggregations and reclassifications of captions in the Reclassified consolidated balance sheet refer to:

- the separate presentation of financial assets of the banking segment constituting Due from banks and Loans to customers, regardless of the accounting portfolios to which they have been allocated;
- the separate presentation of financial assets of the banking segment not constituting loans, divided into financial assets measured at amortised cost, financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income, net of the amounts reclassified to Due from banks and Loans to customers;
- the separate presentation of financial assets and liabilities of the insurance segment, grouped based on the valuation method adopted for the purposes of IFRS 9 (fair value or amortised cost);
- the aggregation in one single caption of Property, equipment and intangible assets, broken down into the sub-captions Assets owned and Rights of use acquired under leases;
- the inclusion of Hedging derivatives of the banking segment and Fair value change of financial assets/liabilities in hedged portfolios under Other assets/Other liabilities;
- the inclusion of Insurance assets in Other assets;
- the separate presentation of Due to banks at amortised cost of the banking segment;
- the aggregation of Due to customers at amortised cost and Securities issued of the banking segment into one caption;
- the aggregation in one single caption (Allowances for risks and charges) of allowances for specific purposes (Employee termination indemnities and Allowances for risks and charges regarding: commitments and guarantees given, post-employment benefits and other allowances for risks and charges);
- the reclassification of Lease payables to a specific sub-caption of Other liabilities;
- the presentation of Reserves as an aggregate and net of any own shares.

[33] With legal effect from 31 October 2025, First Bank S.A. was merged into Banca Comerciala Intesa Sanpaolo Romania S.A. (Intesa Sanpaolo Bank Romania).
[34] Following the finalisation of: (i) the first tranche of CHF 25 million of a new capital increase of Alpian in June 2025, and (ii) the second tranche of CHF 15 million in November 2025, both fully subscribed by Fideuram - Intesa Sanpaolo Private Banking, including the portion of unsubscribed shares attributable to Reyl & Cie and other shareholders, the Group's direct percentage stake in the company as at 31 December 2025 rose to 70.828%, of which 62.884% held by Fideuram - Intesa Sanpaolo Private Banking and 7.944% by Reyl & Cie.

Reclassified consolidated balance sheet

(millions of euro)

Assets	31.12.2025	31.12.2024	Changes	
			amount	%
Cash and cash equivalents	37,868	40,533	-2,665	-6.6
Due from banks	41,622	36,128	5,494	15.2
Loans to customers	425,033	421,512	3,521	0.8
Loans to customers measured at amortised cost	*421,555*	*419,658*	*1,897*	*0.5*
Loans to customers measured at fair value through other comprehensive income and through profit or loss	*3,478*	*1,854*	*1,624*	*87.6*
Financial assets measured at amortised cost which do not constitute loans	69,610	62,979	6,631	10.5
Financial assets measured at fair value through profit or loss	50,731	45,706	5,025	11.0
Financial assets measured at fair value through other comprehensive income	87,470	76,303	11,167	14.6
Financial assets pertaining to insurance companies measured at amortised cost	9	5	4	80.0
Financial assets pertaining to insurance companies measured at fair value through profit or loss	110,687	104,344	6,343	6.1
Financial assets pertaining to insurance companies measured at fair value through other comprehensive income	73,491	72,973	518	0.7
Investments in associates and companies subject to joint control	2,735	3,036	-301	-9.9
Property, equipment and intangible assets	18,648	18,884	-236	-1.2
Assets owned	*17,628*	*17,655*	*-27*	*-0.2*
Rights of use acquired under leases	*1,020*	*1,229*	*-209*	*-17.0*
Tax assets	11,591	12,916	-1,325	-10.3
Non-current assets held for sale and discontinued operations	1,065	667	398	59.7
Other assets	29,327	37,299	-7,972	-21.4
Total Assets	**959,887**	**933,285**	**26,602**	**2.9**

Liabilities	31.12.2025	31.12.2024	Changes	
			amount	%
Due to banks at amortised cost	56,716	45,082	11,634	25.8
Due to customers at amortised cost and securities issued	563,519	552,029	11,490	2.1
Financial liabilities held for trading	39,648	42,866	-3,218	-7.5
Financial liabilities designated at fair value	27,196	23,437	3,759	16.0
Financial liabilities at amortised cost pertaining to insurance companies	2,156	1,412	744	52.7
Financial liabilities held for trading pertaining to insurance companies	62	63	-1	-1.6
Financial liabilities designated at fair value pertaining to insurance companies	49,184	50,646	-1,462	-2.9
Tax liabilities	2,881	2,097	784	37.4
Liabilities associated with non-current assets held for sale and discontinued operations	45	5	40	
Other liabilities	15,464	18,655	-3,191	-17.1
of which lease payables	*1,053*	*1,097*	*-44*	*-4.0*
Insurance liabilities	132,518	126,081	6,437	5.1
Allowances for risks and charges	5,120	5,591	-471	-8.4
of which allowances for commitments and financial guarantees given	*676*	*601*	*75*	*12.5*
Share capital	10,369	10,369	-	-
Reserves	42,578	42,789	-211	-0.5
Valuation reserves	-1,138	-2,035	-897	-44.1
Valuation reserves pertaining to insurance companies	-374	-297	77	25.9
Interim dividend	-3,234	-3,022	212	7.0
Equity instruments	7,704	8,706	-1,002	-11.5
Minority interests	152	145	7	4.8
Net income (loss)	9,321	8,666	655	7.6
Total liabilities and shareholders' equity	**959,887**	**933,285**	**26,602**	**2.9**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

Quarterly development of the reclassified consolidated balance sheet

(millions of euro)

Assets	2025				2024			
	31/12	30/9	30/6	31/3	31/12	30/9	30/6	31/3
Cash and cash equivalents	37,868	36,957	41,864	37,447	40,533	56,071	55,582	51,462
Due from banks	41,622	37,010	35,381	36,933	36,128	34,139	33,028	29,041
Loans to customers	425,033	421,073	418,591	416,797	421,512	421,946	422,216	424,234
Loans to customers measured at amortised cost	*421,555*	*417,959*	*415,854*	*414,811*	*419,658*	*419,559*	*420,420*	*421,899*
Loans to customers measured at fair value through other comprehensive income and through profit or loss	*3,478*	*3,114*	*2,737*	*1,986*	*1,854*	*2,387*	*1,796*	*2,335*
Financial assets measured at amortised cost which do not constitute loans	69,610	69,483	67,037	65,124	62,979	62,868	60,779	62,749
Financial assets measured at fair value through profit or loss	50,731	49,669	50,544	48,862	45,706	45,608	41,914	42,029
Financial assets measured at fair value through other comprehensive income	87,470	88,325	87,162	88,323	76,303	79,500	77,018	77,230
Financial assets pertaining to insurance companies measured at amortised cost	9	4	4	5	5	2	2	5
Financial assets pertaining to insurance companies measured at fair value through profit or loss	110,687	106,955	104,198	101,980	104,344	103,872	101,961	103,265
Financial assets pertaining to insurance companies measured at fair value through other comprehensive income	73,491	71,784	71,721	70,518	72,973	72,797	69,150	70,928
Investments in associates and companies subject to joint control	2,735	2,992	3,005	2,970	3,036	2,799	2,621	2,495
Property, equipment and intangible assets	18,648	18,344	18,449	18,497	18,884	18,542	18,611	18,651
Assets owned	*17,628*	*17,321*	*17,374*	*17,419*	*17,655*	*17,285*	*17,276*	*17,257*
Rights of use acquired under leases	*1,020*	*1,023*	*1,075*	*1,078*	*1,229*	*1,257*	*1,335*	*1,394*
Tax assets	11,591	10,931	11,590	12,462	12,916	13,150	14,095	14,470
Non-current assets held for sale and discontinued operations	1,065	718	744	907	667	1,024	1,139	732
Other assets	29,327	29,779	33,162	34,309	37,299	36,868	36,406	35,936
Total Assets	**959,887**	**944,024**	**943,452**	**935,134**	**933,285**	**949,186**	**934,522**	**933,227**

Liabilities	2025				2024			
	31/12	30/9	30/6	31/3	31/12	30/9	30/6	31/3
Due to banks at amortised cost	56,716	66,765	63,812	60,107	45,082	51,013	48,176	55,998
Due to customers at amortised cost and securities issued	563,519	538,303	536,218	540,743	552,029	555,320	557,052	545,019
Financial liabilities held for trading	39,648	40,179	41,870	41,513	42,866	44,528	45,078	44,737
Financial liabilities designated at fair value	27,196	25,374	24,700	24,175	23,437	24,088	23,314	23,218
Financial liabilities at amortised cost pertaining to insurance companies	2,156	1,981	1,927	1,971	1,412	2,247	2,185	2,222
Financial liabilities held for trading pertaining to insurance companies	62	75	66	100	63	64	107	67
Financial liabilities designated at fair value pertaining to insurance companies	49,184	48,136	47,917	48,136	50,646	50,685	50,775	51,748
Tax liabilities	2,881	2,685	2,358	2,614	2,097	2,467	2,700	2,672
Liabilities associated with non-current assets held for sale and discontinued operations	45	3	10	249	5	7	17	5
Other liabilities	15,464	19,161	26,131	19,208	18,655	21,716	15,513	15,690
of which lease payables	*1,053*	*1,054*	*1,104*	*1,105*	*1,097*	*1,117*	*1,185*	*1,245*
Insurance liabilities	132,518	129,659	127,142	124,195	126,081	125,232	119,676	120,561
Allowances for risks and charges	5,120	4,569	4,643	5,356	5,591	4,589	4,520	5,161
of which allowances for commitments and financial guarantees given	*676*	*595*	*587*	*585*	*601*	*536*	*495*	*496*
Share capital	10,369	10,369	10,369	10,369	10,369	10,369	10,369	10,369
Reserves	42,578	43,175	44,257	51,315	42,789	42,953	43,933	50,153
Valuation reserves	-1,138	-1,508	-1,566	-1,849	-2,035	-1,805	-2,079	-1,977
Valuation reserves pertaining to insurance companies	-374	-342	-316	-367	-297	-278	-366	-302
Interim dividend	-3,234	-	-	-3,022	-3,022	-	-	-2,629
Equity instruments	7,704	7,703	8,559	7,572	8,706	8,682	8,652	7,889
Minority interests	152	149	139	134	145	142	134	325
Net income (loss)	9,321	7,588	5,216	2,615	8,666	7,167	4,766	2,301
Total Liabilities and Shareholders' Equity	**959,887**	**944,024**	**943,452**	**935,134**	**933,285**	**949,186**	**934,522**	**933,227**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

BANKING BUSINESS

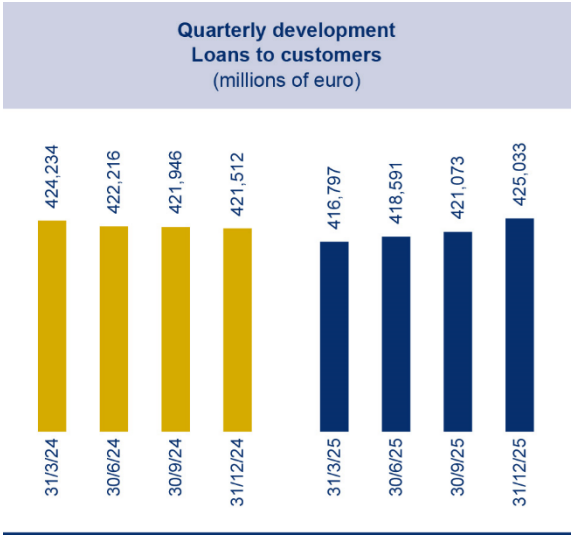
Loans to customers

Loans to customers: breakdown

(millions of euro)

	31.12.2025		31.12.2024		Changes	
		% breakdown		% breakdown	amount	%
Current accounts	21,245	5.0	21,188	5.0	57	0.3
Mortgages	214,253	50.4	214,980	51.0	-727	-0.3
Advances and other loans	154,948	36.5	156,145	37.0	-1,197	-0.8
Commercial banking loans	**390,446**	**91.9**	**392,313**	**93.0**	**-1,867**	**-0.5**
Repurchase agreements	**22,003**	**5.2**	**17,991**	**4.3**	**4,012**	**22.3**
Loans represented by securities	**8,692**	**2.0**	**6,288**	**1.5**	**2,404**	**38.2**
Non-performing loans	**3,892**	**0.9**	**4,920**	**1.2**	**-1,028**	**-20.9**
Loans to customers	**425,033**	**100.0**	**421,512**	**100.0**	**3,521**	**0.8**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.



As at 31 December 2025, loans to customers of the Group amounted to 425 billion euro[35], up (+0.8%, or +3.5 billion euro) compared to the end of 2024. The trend is attributable to an increase in repurchase agreements (+22.3%, or +4 billion euro) and loans represented by securities (+38.2%, or +2.4 billion euro), mainly due to the Parent Company's subscription of securities from corporate issuers, only partially offset by the slight decrease in commercial banking loans (-0.5%, or -1.9 billion euro) and the reduction in non-performing loans (-20.9%, or -1 billion euro), also due to de-risking initiatives finalised during the year.
The trend in commercial banking loans, which comprise over 90% of the total aggregate, is the result of a decrease in advances and loans (-0.8%, or -1.2 billion euro), while current accounts were substantially stable (+0.3%). As regards medium/long-term commercial operations, mortgage loans showed resilience (-0.3%), against growth in disbursements, which more or less offset repayments.
As at 31 December 2025, the Intesa Sanpaolo Group's share of the Italian domestic market was estimated at 17.5% for total loans to customers. This estimate was based on the sample deriving from the ten-day report of the Bank of Italy for December, as the global banking system figures were not yet available.

In 2025, the Group made total medium/long-term disbursements of 86.1 billion euro, consisting of 56.3 billion euro for Italy and 29.8 billion euro for the international operations.
In the domestic market, the Banca dei Territori recorded loans of 38.9 billion euro, of which 21.1 billion euro to households (retail and exclusive segments), 14.3 billion euro to SMEs (companies with a turnover of up to 350 million euro), 2.7 billion euro to agribusiness, and 0.8 billion euro to the non-profit sector, third party networks, Prestitalia and Isybank. In addition, disbursements of the IMI Corporate & Investment Banking Division amounted to 17 billion euro, including Originate to Share (OTS) operations, and OTS operations for non-corporate customers amounting to 0.4 billion euro.
For the international operations, instead, loans include the International Banks Division for 14.3 billion euro and IMI C&IB international, including OTS operations, equal to 15.5 billion euro.

With regard to the specific measures to support the production system, established in response to the COVID-19 pandemic, Intesa Sanpaolo was the first Bank in Italy to sign the collaboration protocol with SACE. Overall, Intesa Sanpaolo provided a plafond of 50 billion euro dedicated to loans in favour of companies under which, also through the SME Fund, a total of 49 billion euro[36] in loans backed by government guarantee were disbursed from the start of the pandemic (in application of the "*Liquidità*" Decree Law no. 23 of 8 April 2020): 13.4 billion euro backed by SACE guarantee and around 35.6 billion euro backed by SME Fund guarantee. The data regarding the monitoring of the guarantees from the "Fondo Centrale di Garanzia" (Central Guarantee Fund), despite showing higher impairment rates than the rest of the loans, do not identify significant risks, thanks to the focused and timely management.
At consolidated level, also considering the operations in the other countries where the Group has a presence, as at the end of 2025 the residual debt of exposures for loans under government guarantee schemes totalled 8.2 billion euro (of which 8 billion

[35] As at 31 December 2025, the aggregate includes 1.2 billion euro referring to an institutional customer previously classified under due from banks, of which 0.1 billion euro on current accounts and 1.1 billion euro on advances and loans.
[36] Including the former UBI Banca Group and considering the sale of branches carried out in the first half of 2021.

euro relating to Italy), compared to 15.4 billion euro (of which 15 billion euro in Italy) outstanding in December 2024. This gradual reduction, essentially attributable to the Parent Company, relates to the repayments and partial settlements during 2025.

Under the Bank's initiatives related to the measures established by the "Rilancio" Decree (Decree Law 34/2020) for the relaunch of the construction sector, Intesa Sanpaolo – through the Banca dei Territori and IMI Corporate & Investment Banking Divisions – purchased tax credits of 38.4 billion euro (37.5 billion euro as at 31 December 2024), from the start of the operations through to 31 December 2025. An additional 1 billion euro is to be added to this amount, relating to signed contracts and received applications.
Net of the overall decreases of around 22.6 billion euro (attributable to offsetting carried out during the year, resales carried out, deferrals recognised and fair value adjustments, where required by the business model of reference), at the end of 2025, tax credits of 15.8 billion euro (22.5 billion euro in December 2024) were recognised in the financial statements under caption 130 Other assets of the Consolidated balance sheet, which in the Reclassified consolidated balance sheet converge in the caption Other assets.

(millions of euro)

	31.12.2025	31.12.2024	Changes	
			amount	%
Banca dei Territori	219,992	221,231	-1,239	-0.6
IMI Corporate & Investment Banking	124,132	126,059	-1,927	-1.5
International Banks	48,944	45,255	3,689	8.2
Private Banking	14,685	14,022	663	4.7
Asset Management	351	254	97	38.2
Insurance	-	-	-	-
Total business areas	**408,104**	**406,821**	**1,283**	**0.3**
Corporate Centre	16,929	14,691	2,238	15.2
Intesa Sanpaolo Group	**425,033**	**421,512**	**3,521**	**0.8**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents and discontinued operations.

Business areas
Loans to customers

In the analysis of operations by sector, the Banca dei Territori Division, which represents 53.9% of the aggregate attributable to the Group's operating business areas, showed a slight decrease since the end of 2024 (-0.6%, or -1.2 billion euro), which reflects the declining trend in loans to businesses, partially offset by the development of loans to individuals. Loans of the IMI Corporate & Investment Banking Division also decreased (-1.5%, or -1.9 billion euro), in relation to the evolution of the Global Corporate segment and of institutional customers, partly attenuated by the positive trend in Global Markets. In contrast, the growth in the International Banks Division (+8.2%, or +3.7 billion euro) is mainly attributable to the greater contribution from subsidiaries operating in Croatia, Serbia, Hungary and Slovakia; the Private Banking Division also grew (+4.7%, or +0.7 billion euro), with its loans consisting primarily of short-term credit facilities.
The loans of the Asset Management Division, which are relatively modest in scope owing to its line of business, increased by 38.2%.
Lastly, loans on central assets of the Corporate Centre increased by 15.2% (+2.2 billion euro), in relation to repurchase agreements.

Loans to customers: credit quality

(millions of euro)

	31.12.2025		31.12.2024		Change
	Net exposure	% breakdown	Net exposure	% breakdown	Net exposure
Bad loans	790	0.2	1,120	0.3	-330
Unlikely to pay	2,780	0.6	3,438	0.8	-658
Past due loans	322	0.1	362	0.1	-40
Non-Performing Loans	**3,892**	**0.9**	**4,920**	**1.2**	**-1,028**
Non-performing loans in Stage 3 (subject to impairment)	*3,880*	*0.9*	*4,889*	*1.2*	*-1,009*
Non-performing loans measured at fair value through profit or loss	*12*	*-*	*31*	*-*	*-19*
Performing loans	**412,439**	**97.0**	**410,230**	**97.3**	**2,209**
Stage 2	*32,131*	*7.6*	*33,422*	*7.9*	*-1,291*
Stage 1	*379,332*	*89.2*	*376,051*	*89.2*	*3,281*
Performing loans measured at fair value through profit or loss	*976*	*0.2*	*757*	*0.2*	*219*
Performing loans represented by securities	**8,692**	**2.1**	**6,288**	**1.5**	**2,404**
Stage 2	*313*	*0.1*	*188*	*-*	*125*
Stage 1	*8,379*	*2.0*	*6,100*	*1.5*	*2,279*
Loans held for trading	**10**	**-**	**74**	**-**	**-64**
Total loans to customers	**425,033**	**100.0**	**421,512**	**100.0**	**3,521**
of which forborne performing	***4,062***		***4,168***		***-106***
of which forborne non-performing	***1,226***		***1,691***		***-465***
Loans to customers classified as non-current assets held for sale	**496**		**39**		**457**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

As at 31 December 2025, the Group's net non-performing loans amounted to 3,892 million euro, lower than the figure recorded as at 31 December 2024 (4,920 million euro), also due to the de-risking initiatives finalised during the year, consistent with Bank's Zero-NPL (non-performing loans) status declared in the 2022-2025 Business Plan. The ratio of non-performing loans to total net loans to customers came to 0.9% (0.8% according to the EBA definition) with the coverage ratio for non-performing loans of 48.6% (49.5% at the end of 2024).
In further detail, in December 2025 bad loans amounted to 790 million euro (-29.5% from 31 December 2024), net of adjustments, representing 0.2% of total net loans with a coverage ratio of 67.3%. Loans included in the unlikely-to-pay category amounted to 2,780 million euro, down by 19.1%, accounting for 0.6% of total net loans to customers, with a coverage ratio of 40.8%. Past due loans amounted to 322 million euro (-11% from the end of 2024), with a coverage ratio of 28.8%. Within the non-performing loan category, forborne exposures, generated by forbearance measures for borrowers experiencing difficulty in meeting their financial obligations, amounted to 1,226 million euro, with a coverage ratio of 41.4%. Forborne exposures in the performing loan category amounted to 4,062 million euro.

At the end of December 2025, net performing loans amounted to 412.4 billion euro, up by 2.2 billion euro (+0.5%) on the end of 2024, with an overall coverage ratio of 0.47% of which 4.20% (from 4.60% at the end of 2024) for Stage 2 loans and 0.14% (0.15% at the end of December 2024) for Stage 1 loans. In terms of stock, net loans in Stage 1 increased by 0.9% to 379.3 billion euro, while those in Stage 2 amounted to 32.1 billion euro, down by 3.9% compared to the figure at the end of 2024.

(millions of euro)

	31.12.2025			31.12.2024			Change
	Gross exposure	Total adjustments	Net exposure	Gross exposure	Total adjustments	Net exposure	Net exposure
Bad loans	2,414	-1,624	790	3,502	-2,382	1,120	-330
Unlikely to pay	4,699	-1,919	2,780	5,715	-2,277	3,438	-658
Past due loans	452	-130	322	516	-154	362	-40
Non-Performing Loans	**7,565**	**-3,673**	**3,892**	**9,733**	**-4,813**	**4,920**	**-1,028**
Non-performing loans in Stage 3 (subject to impairment)	*7,518*	*-3,638*	*3,880*	*9,666*	*-4,777*	*4,889*	*-1,009*
Non-performing loans measured at fair value through profit or loss	*47*	*-35*	*12*	*67*	*-36*	*31*	*-19*
Performing loans	**414,374**	**-1,935**	**412,439**	**412,397**	**-2,167**	**410,230**	**2,209**
Stage 2	*33,538*	*-1,407*	*32,131*	*35,032*	*-1,610*	*33,422*	*-1,291*
Stage 1	*379,860*	*-528*	*379,332*	*376,608*	*-557*	*376,051*	*3,281*
Performing loans measured at fair value through profit or loss	*976*	*-*	*976*	*757*	*-*	*757*	*219*
Performing loans represented by securities	**8,709**	**-17**	**8,692**	**6,300**	**-12**	**6,288**	**2,404**
Stage 2	*323*	*-10*	*313*	*195*	*-7*	*188*	*125*
Stage 1	*8,386*	*-7*	*8,379*	*6,105*	*-5*	*6,100*	*2,279*
Loans held for trading	**10**	**-**	**10**	**74**	**-**	**74**	**-64**
Total loans to customers	**430,658**	**-5,625**	**425,033**	**428,504**	**-6,992**	**421,512**	**3,521**
of which forborne performing	***4,289***	***-227***	***4,062***	***4,465***	***-297***	***4,168***	***-106***
of which forborne non-performing	***2,093***	***-867***	***1,226***	***3,061***	***-1,370***	***1,691***	***-465***
Loans to customers classified as non-current assets held for sale	**1,890**	**-1,394**	**496**	**330**	**-291**	**39**	**457**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

As at 31 December 2025, Group gross non-performing loans amounted to 7.6 billion euro, down (-22.3%, or -2.2 billion euro) compared to December 2024. This trend was due to bad loans (-31.1%, or -1.1 billion euro), unlikely-to-pay loans (-17.8%, or -1 billion euro) and, to a lesser extent, past-due loans (-12.4%, or -64 million euro).
That result was marked by the de-risking initiatives finalised during the year and a small amount of new inflows from performing loans, due to the performance recorded by prevention activities. As a result of the de-risking initiatives, in 2025 a number of extraordinary disposals were carried out on portfolios amounting to 1.1 billion euro (gross), of which 0.3 billion euro had already been reclassified to IFRS 5 in December 2024. Added to these is around 0.3 billion euro (gross) from sales of single name loans. Moreover, in the last quarter of 2025, portfolios of loans classified as ready to be sold were accounted under Non-current assets held for sale and discontinued operations, having met the conditions for applicability based on IFRS 5.
The NPL ratio amounted to 1.8% gross of adjustments and 0.9% net (1.5% and 0.8%, respectively, gross and net according to the EBA methodology).
In 2025, gross inflows amounted to 3.2 billion euro (1.5 billion euro in the first half and 1.7 billion euro in the second half year), lower than the figure recorded in 2024 (3.5 billion euro). In net terms, that is, net of outflows to performing loans, inflows came to 2.6 billion euro (1.3 billion euro in the first six months and 1.3 billion euro in the second half), compared with a figure of 2.9 billion euro recorded in 2024.

Other banking business financial assets and liabilities: breakdown

(millions of euro)

Type of financial instruments	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through other comprehensive income	Instruments measured at amortised cost which do not constitute loans	TOTAL Banking business financial assets	Banking business financial liabilities held for trading (*)
Debt securities issued by Governments					
31.12.2025	7,929	59,627	48,798	**116,354**	X
31.12.2024	3,505	51,576	42,966	**98,047**	X
Changes amount	4,424	8,051	5,832	**18,307**	X
Changes %		15.6	13.6	**18.7**	X
Other debt securities					
31.12.2025	5,832	26,499	20,812	**53,143**	X
31.12.2024	4,724	23,422	20,013	**48,159**	X
Changes amount	1,108	3,077	799	**4,984**	X
Changes %	23.5	13.1	4.0	**10.3**	X
Equities					
31.12.2025	6,196	1,344	X	**7,540**	X
31.12.2024	8,070	1,305	X	**9,375**	X
Changes amount	-1,874	39	X	**-1,835**	X
Changes %	-23.2	3.0	X	**-19.6**	X
Quotas of UCI					
31.12.2025	4,206	X	X	**4,206**	X
31.12.2024	4,272	X	X	**4,272**	X
Changes amount	-66	X	X	**-66**	X
Changes %	-1.5	X	X	**-1.5**	X
Due to banks and to customers					
31.12.2025	X	X	X	**X**	-5,632
31.12.2024	X	X	X	**X**	-7,264
Changes amount	X	X	X	**X**	-1,632
Changes %	X	X	X	**X**	-22.5
Financial derivatives					
31.12.2025	21,468	X	X	**21,468**	-19,362
31.12.2024	22,083	X	X	**22,083**	-23,507
Changes amount	-615	X	X	**-615**	-4,145
Changes %	-2.8	X	X	**-2.8**	-17.6
Credit derivatives					
31.12.2025	5,100	X	X	**5,100**	-5,170
31.12.2024	3,052	X	X	**3,052**	-3,053
Changes amount	2,048	X	X	**2,048**	2,117
Changes %	67.1	X	X	**67.1**	69.3
TOTAL 31.12.2025	**50,731**	**87,470**	**69,610**	**207,811**	**-30,164**
TOTAL 31.12.2024	**45,706**	**76,303**	**62,979**	**184,988**	**-33,824**
Changes amount	**5,025**	**11,167**	**6,631**	**22,823**	**-3,660**
Changes %	**11.0**	**14.6**	**10.5**	**12.3**	**-10.8**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

(*) The amount of the item does not include certificates which are included in the direct deposits from banking business table.

The table above shows the breakdown of other financial assets and liabilities, excluding those pertaining to insurance companies. Financial liabilities held for trading do not include certificates, which are included in the direct deposits from banking business aggregates.
The Intesa Sanpaolo Group's other financial assets amounted to 207.8 billion euro, up by 22.8 billion euro compared to the end of the year (+12.3%). Financial liabilities held for trading decreased by 10.8% to 30.2 billion euro.

The increase in total financial assets was essentially due to the performance of debt securities (+23.3 billion euro), mainly government securities and, to a lesser extent, derivatives (+1.4 billion euro), only partially offset by the decrease in equity instruments (-1.8 billion euro).

Financial assets measured at fair value through profit or loss amounted to 50.7 billion euro, up by 5 billion euro from the end of 2024. The change was attributable to an increase in debt securities (+5.5 billion euro), specifically those issued by governments, and in derivatives (+1.4 billion euro), partially offset by the drop in equity instruments (-1.9 billion euro).

Instruments measured at amortised cost which do not constitute loans amounted to 69.6 billion euro, up by 10.5%, due to the performance of government debt securities (+5.8 billion euro) and, to a lesser extent, other debt securities (+0.8 billion euro). Debt securities at amortised cost have primarily been classified to Stage 1 (96.1%).

Financial assets at fair value through other comprehensive income, which reached 87.5 billion euro, also grew from the end of 2024 (+14.6%), due to the performance of debt securities. Debt securities measured at fair value through other comprehensive income were almost fully classified in Stage 1 (98.8%).

Debt securities: stage allocation

(millions of euro)

Debt securities: stage allocation	Financial assets measured at fair value through other comprehensive income	Instruments measured at amortised cost which do not constitute loans	TOTAL
Stage 1			
31.12.2025	85,100	66,864	**151,964**
31.12.2024	73,608	57,590	**131,198**
Changes amount	11,492	9,274	**20,766**
Changes %	15.6	16.1	**15.8**
Stage 2			
31.12.2025	1,026	2,118	**3,144**
31.12.2024	1,390	5,381	**6,771**
Changes amount	-364	-3,263	**-3,627**
Changes %	-26.2	-60.6	**-53.6**
Stage 3			
31.12.2025	-	628	**628**
31.12.2024	-	8	**8**
Changes amount	-	620	**620**
Changes %	-		
TOTAL 31.12.2025	**86,126**	**69,610**	**155,736**
TOTAL 31.12.2024	**74,998**	**62,979**	**137,977**
Changes amount	**11,128**	**6,631**	**17,759**
Changes %	**14.8**	**10.5**	**12.9**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

The decrease compared to December 2024 of securities classified as Stage 2, which totalled -3.6 billion euro, related for the most part to instruments measured at amortised cost which do not constitute loans (-3.3 billion euro).

Customer financial assets

(millions of euro)

	31.12.2025	% breakdown	31.12.2024	% breakdown	Changes amount	Changes %
Direct deposits from banking business	600,199	41.2	584,508	42.3	15,691	2.7
Direct deposits from insurance business	182,861	12.5	177,430	12.8	5,431	3.1
Indirect customer deposits	844,619	58.0	788,399	57.1	56,220	7.1
Netting (a)	-170,504	-11.7	-168,163	-12.2	2,341	1.4
Customer financial assets	**1,457,175**	**100.0**	**1,382,174**	**100.0**	**75,001**	**5.4**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

(a) The netting relates to components of indirect customer deposits that also constitute types of direct deposits (financial liabilities of the insurance segment measured at fair value and insurance liabilities).

As at 31 December 2025, customer financial assets, after netting, amounted to 1,457 billion euro, recording significant growth, including the performance effect, of 75 billion euro since year-end (+5.4%), resulting from the positive trend in indirect customer deposits (+7.1%, or +56.2 billion euro), direct deposits from banking business[37] (+2.7%, or +15.7 billion euro) and direct deposits from insurance business (+3.1%, or +5.4 billion euro).

Direct deposits from banking business

The table below sets out amounts due to customers, securities issued and certificates, the latter measured at fair value, which represent an alternative form of funding to bonds.

(millions of euro)

	31.12.2025	% breakdown	31.12.2024	% breakdown	Changes amount	Changes %
Current accounts and deposits	408,671	68.1	409,039	70.0	-368	-0.1
Repurchase agreements and securities lending	31,115	5.2	15,642	2.7	15,473	98.9
Bonds	68,086	11.3	80,414	13.8	-12,328	-15.3
Certificates of deposit	3,431	0.6	2,648	0.4	783	29.6
Subordinated liabilities	12,197	2.0	11,791	2.0	406	3.4
Other deposits	76,699	12.8	64,974	11.1	11,725	18.0
of which measured at fair value (*)	*36,680*	*6.1*	*32,479*	*5.6*	*4,201*	*12.9*
Direct deposits from banking business	**600,199**	**100.0**	**584,508**	**100.0**	**15,691**	**2.7**

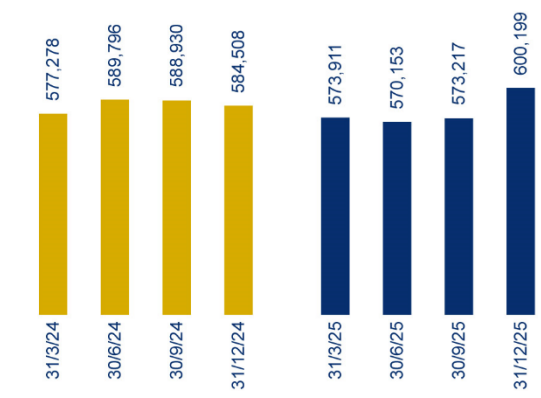
Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

(*) Figures relating to investment certificates and other forms of funding included in the Balance sheet under "Financial liabilities held for trading" and "Financial liabilities designated at fair value". Specifically:
- as at 31 December 2025, this caption consisted of 9,484 million euro of certificates classified under "Financial liabilities held for trading" and 27,196 million euro of certificates (27,190 million euro) and other forms of funding (6 million euro) classified under "Financial liabilities designated at fair value";
- as at 31 December 2024, this caption consisted of 9,042 million euro of certificates classified under "Financial liabilities held for trading" and 23,437 million euro of certificates (23,432 million euro) and other forms of funding (5 million euro) classified under "Financial liabilities designated at fair value".

Bearer instruments issued are conventionally fully attributed to funding from customers.

[37] As at 31 December 2025, the aggregate included 19 billion euro referring to an institutional customers previously classified as due to banks.

Quarterly development
Direct deposits from banking business
(millions of euro)



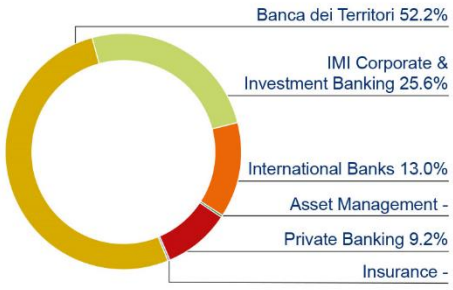
Group direct deposits from banking business exceeded 600 billion euro, including 19 billion euro relating to an institutional customer previously classified as due to banks, up on the end of 2024 (+2.7%, or +15.7 billion euro).
Specifically, there was an increase in repurchase agreements and securities lending (+15.5 billion euro), attributable to 12.5 billion euro from the above reclassification, and in other deposits (+18%, or +11.7 billion euro), thanks to the performance of certificates (+4.2 billion euro), incorporating the positive impact of the reclassification (+6.3 billion euro).
Conversely, bonds decreased (-15.3%, or -12.3 billion euro), linked to the pre-funding carried out in 2024, involving covered bonds (-3.8 billion euro), senior preferred securities (-7.9 billion euro) and senior non-preferred securities (-0.6 billion euro). Current accounts and deposits, only marginally affected by the reclassification, remained substantially stable as a result of a shift from time deposits to current accounts.
Among other forms of funding, which comprise a marginal percentage of the total aggregate, certificates of deposit increased (+29.6%, or +0.8 billion euro), due to the international branches, as well as subordinated liabilities (+3.4%, or +0.4 billion euro).
As at 31 December 2025, the Intesa Sanpaolo Group's direct deposits (deposits and bonds) represented a share of the domestic market of 20.5%. As described above with reference to loans, this estimate is based on the sample deriving from the ten-day report produced by the Bank of Italy.

(millions of euro)

	31.12.2025	31.12.2024	Changes	
			amount	%
Banca dei Territori	260,614	258,772	1,842	0.7
IMI Corporate & Investment Banking	127,337	125,194	2,143	1.7
International Banks	64,693	60,922	3,771	6.2
Private Banking	45,675	47,921	-2,246	-4.7
Asset Management	-	15	-15	
Insurance	-	-	-	-
Total business areas	**498,319**	**492,824**	**5,495**	**1.1**
Corporate Centre	101,880	91,684	10,196	11.1
Intesa Sanpaolo Group	**600,199**	**584,508**	**15,691**	**2.7**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents and discontinued operations.

Business areas
Direct deposits from banking business



In the analysis of funding by sector, the Banca dei Territori Division, which accounts for 52.2% of the aggregate attributable to the Group's operating business areas, reported growth on the levels of the previous year (+0.7%, or +1.8 billion euro), mainly due to an increase in amounts due to retail customers.
The IMI Corporate & Investment Banking Division also grew (+1.7%, or +2.1 billion euro), essentially due to the development of operations in certificates, partially offset by the decrease in securities issued by the Luxembourg subsidiary and in Global Markets. The International Banks Division reported growth (+6.2%, or +3.8 billion euro), mainly related to the positive trend recorded in subsidiaries operating in Hungary, Croatia and Slovakia. Conversely, deposits of the Private Banking Division decreased (-4.7%, or -2.2 billion euro), especially in relation to the decrease in time deposits, partially offset by the growth in current account deposits.
The increase in funding of the Corporate Centre (+10.2 billion euro) is the result of an increase in the repurchase agreement component of amounts due to customers, which incorporate the above-mentioned reclassification of an institutional customer, and a decline in transactions in wholesale securities.

Indirect customer deposits

(millions of euro)

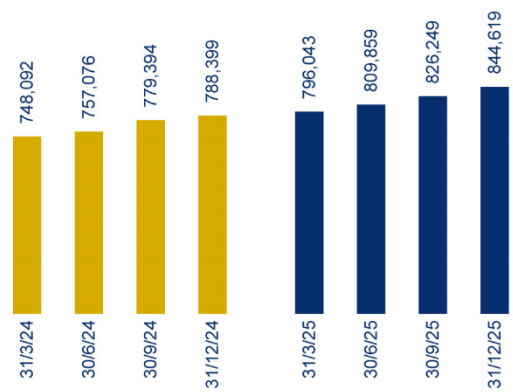
	31.12.2025		31.12.2024		Changes	
		% breakdown		% breakdown	amount	%
Mutual funds [(a)]	230,742	27.3	217,751	27.6	12,991	6.0
Open-ended pension funds and individual pension plans	20,484	2.4	17,215	2.2	3,269	19.0
Portfolio management	96,201	11.4	91,147	11.5	5,054	5.5
Insurance liabilities and insurance financial liabilities	181,378	21.5	179,582	22.8	1,796	1.0
Relations with institutional customers	33,214	3.9	29,798	3.8	3,416	11.5
Assets under management	**562,019**	**66.5**	**535,493**	**67.9**	**26,526**	**5.0**
Assets under administration and in custody	**282,600**	**33.5**	**252,906**	**32.1**	**29,694**	**11.7**
Indirect customer deposits	**844,619**	**100.0**	**788,399**	**100.0**	**56,220**	**7.1**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

(a) This caption does not include funds held by Group insurance companies and managed by the Group's asset management companies, whose values are included in the insurance liabilities and insurance financial liabilities.

Starting from December 2025, assets under management also include mutual funds established by third parties, portfolio management of third-party companies and insurance policies issued by companies not belonging to the Group that were previously classified as assets under administration and in custody as not attributable to the Group's product factories. The figures for 31 December 2024 have been restated accordingly.
The restated data relating to the end-of-quarter figures for 2025 and 2024 are published on the Group's website (group.intesasanpaolo.com), in the Investor Relations section, Key figures database, Customer financial assets and assets under management.

Quarterly development
Indirect customer deposits
(millions of euro)



As at 31 December 2025, indirect customer deposits reached around 845 billion euro, up sharply (+7.1%, or +56.2 billion euro) compared to the end of 2024, driven by the positive trend in both assets under administration and assets under management.
Assets under administration, amounting to 282.6 billion euro, increased sharply (+11.7%, or +29.7 billion euro), concentrated in securities and third-party products in custody, to which investors have transferred part of their liquidity in order to benefit from higher yields.
Assets under management, which, totalling 562 billion euro, comprises 66.5% of the total aggregate, increased (+5%, or +26.5 billion euro), attributable to all components: mutual funds (+13 billion euro), portfolio management schemes (+5 billion euro), relations with institutional customers (+3.4 billion euro), open pension funds and individual pension policies (+3.3 billion euro) and insurance liabilities and insurance financial liabilities (+1.8 billion euro). In 2025, the new life business of the insurance companies of the Intesa Sanpaolo Group, including pension products and those of a predominantly financial nature, amounted to 19.5 billion euro.

Amounts due from and to banks - net interbank position

(millions of euro)

	31.12.2025	31.12.2024	Changes	
			amount	%
Cash and cash equivalents	**33,835**	**36,651**	**-2,816**	**-7.7**
- Current accounts and on demand deposits with Central Banks (*)	*30,609*	*32,531*	*-1,922*	*-5.9*
- Current accounts and on demand deposits with banks	*3,226*	*4,120*	*-894*	*-21.7*
Due from banks	**41,622**	**36,128**	**5,494**	**15.2**
- Reserve requirement (**)	*7,748*	*7,740*	*8*	*0.1*
- Time deposits	*2,305*	*3,719*	*-1,414*	*-38.0*
- Repurchase agreements	*21,552*	*14,316*	*7,236*	*50.5*
- Other	*10,017*	*10,353*	*-336*	*-3.2*
Total due from banks	**75,457**	**72,779**	**2,678**	**3.7**
- Demand deposits and time deposits	*6,719*	*7,672*	*-953*	*-12.4*
- Repurchase agreements	*37,538*	*23,067*	*14,471*	*62.7*
- Other debts	*12,459*	*14,343*	*-1,884*	*-13.1*
Total due to banks	**56,716**	**45,082**	**11,634**	**25.8**
NET INTERBANK POSITION	**18,741**	**27,697**	**-8,956**	**-32.3**

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

(*) Of which with European Central Bank: 23,286 million euro as at 31 December 2025 and 26,496 million euro as at 31 December 2024.

(**) Of which with European Central Bank: 4,070 million euro as at 31 December 2025 and 4,018 million euro as at 31 December 2024.

It should be noted that the figures as at 31 December 2025 shown in the table exclude the amounts relating to an institutional customer, reclassified from “banks” to “customers”, which comprised liabilities of 19 billion euro, specifically the components of repurchase agreements (12.5 billion euro) and other liabilities (6.3 billion euro), and assets of 1.2 billion euro, concentrated on other loans, and marginally on current accounts and on-demand deposits with other banks.
As at 31 December 2025, the Group’s net interbank position – calculated considering all the on-demand liquidity, both at Central Banks and at other banks, recognised under “Cash and cash equivalents”, – presented a positive imbalance of 18.7 billion euro, down from 27.7 billion euro at the end of 2024.
This evolution reflects the growth in liabilities (+25.8%, or +11.6 billion euro), essentially attributable to operations in repurchase agreements supporting the purchase of financial assets during 2025.
On the side of assets held at banks, there was an increase (+3.7%, or +2.7 billion euro): the rise in amounts due from banks (+15.2%, or +5.5 billion euro), specifically in repurchase agreements, was only partially offset by the drop in liquidity in on-demand deposits held at Central Banks and other banks, specifically with the ECB (-3.2 billion euro).

INSURANCE BUSINESS
Financial assets and liabilities pertaining to insurance companies

(millions of euro)

Type of financial instruments	Financial assets pertaining to insurance companies measured at fair value through profit or loss and Hedging derivatives	Financial assets pertaining to insurance companies measured at fair value through other comprehensive income	Financial assets pertaining to insurance companies measured at amortised cost	TOTAL Financial assets pertaining to insurance companies	Due to Banks and Financial Derivatives pertaining to insurance companies (*)	
Debt securities issued by Governments						
31.12.2025	7,887	52,305	-	**60,192**	X	
31.12.2024	5,749	54,685	-	**60,434**	X	
Changes amount	2,138	-2,380	-	**-242**	X	
Changes %	37.2	-4.4	-	**-0.4**	X	
Other debt securities						
31.12.2025	4,101	21,179	-	**25,280**	X	
31.12.2024	3,593	18,281	-	**21,874**	X	
Changes amount	508	2,898	-	**3,406**	X	
Changes %	14.1	15.9	-	**15.6**	X	
Equities						
31.12.2025	7,747	7	-	**7,754**	X	
31.12.2024	6,009	7	-	**6,016**	X	
Changes amount	1,738	-	-	**1,738**	X	
Changes %	28.9	-	-	**28.9**	X	
Quotas of UCI						
31.12.2025	90,351	-	-	**90,351**	X	
31.12.2024	88,526	-	-	**88,526**	X	
Changes amount	1,825	-	-	**1,825**	X	
Changes %	2.1	-	-	**2.1**	X	
Due from banks and loans to customers						
31.12.2025	539	-	9	**548**	X	
31.12.2024	393	-	5	**398**	X	
Changes amount	146	-	4	**150**	X	
Changes %	37.2	-	80.0	**37.7**	X	
Due to banks						
31.12.2025	X	X	X	**X**	997	(**)
31.12.2024	X	X	X	**X**	709	(**)
Changes amount	X	X	X	**X**	288	
Changes %	X	X	X	**X**	40.6	
Financial derivatives						
31.12.2025	62	-	-	**62**	62	(***)
31.12.2024	74	-	-	**74**	63	(***)
Changes amount	-12	-	-	**-12**	-1	
Changes %	-16.2	-	-	**-16.2**	-1.6	
Credit derivatives						
31.12.2025	-	-	-	**-**	-	(***)
31.12.2024	-	-	-	**-**	-	(***)
Changes amount	-	-	-	**-**	-	
Changes %	-	-	-	**-**	-	
TOTAL 31.12.2025	**110,687**	**73,491**	**9**	**184,187**	**1,059**	
TOTAL 31.12.2024	**104,344**	**72,973**	**5**	**177,322**	**772**	
Changes amount	**6,343**	**518**	**4**	**6,865**	**287**	
Changes %	**6.1**	**0.7**	**80.0**	**3.9**	**37.2**	

Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

(*) This amount does not include "Financial liabilities designated at fair value pertaining to insurance companies" included in the table on direct deposits from insurance business.

(**) Value included in the Balance sheet under “Financial liabilities at amortised cost pertaining to insurance companies".

(***) Value included in the Balance Sheet under “Financial liabilities held for trading pertaining to insurance companies".

Financial assets and amounts due to banks, and financial derivatives pertaining to insurance companies, summarised in the table above, amounted to 184.2 billion euro and 1.1 billion euro, respectively. Financial assets rose compared to the figure at the end of 2024 (+3.9%, or +6.9 billion euro), mainly due to the positive trend in other debt securities (+3.4 billion euro), units of UCIs (+1.8 billion euro), and equity instruments (+1.7 billion euro).

Direct deposits from insurance business

(millions of euro)

	31.12.2025				31.12.2024				Changes	
	Life	Non-life	Total	% breakdown	Life	Non-life	Total	% breakdown	amount	%
Liabilities for remaining coverage (*)	130,190	1,015	131,205	71.8	123,568	1,015	124,583	70.2	6,622	5.3
of which: Present value of cash flows	*120,554*	*166*	*120,720*	*66.0*	*114,624*	*181*	*114,805*	*64.7*	*5,915*	*5.2*
of which: Adjustment for non-financial risks	*456*	*22*	*478*	*0.3*	*464*	*17*	*481*	*0.3*	*-3*	*-0.6*
of which: Contractual service margin	*9,180*	*320*	*9,500*	*5.2*	*8,480*	*321*	*8,801*	*5.0*	*699*	*7.9*
Liabilities for incurred claims	575	738	1,313	0.7	821	677	1,498	0.8	-185	-12.3
Total Insurance liabilities	**130,765**	**1,753**	**132,518**	**72.5**	**124,389**	**1,692**	**126,081**	**71.0**	**6,437**	**5.1**
Investment contracts										
Unit linked (**)	49,184	-	49,184	26.9	50,646	-	50,646	28.6	-1,462	-2.9
Total Financial liabilities	**49,184**	**-**	**49,184**	**26.9**	**50,646**	**-**	**50,646**	**28.6**	**-1,462**	**-2.9**
Other insurance deposits (***)	**1,159**	**-**	**1,159**	**0.6**	**703**	**-**	**703**	**0.4**	**456**	**64.9**
Direct deposits from insurance business	**181,108**	**1,753**	**182,861**	**100.0**	**175,738**	**1,692**	**177,430**	**100.0**	**5,431**	**3.1**

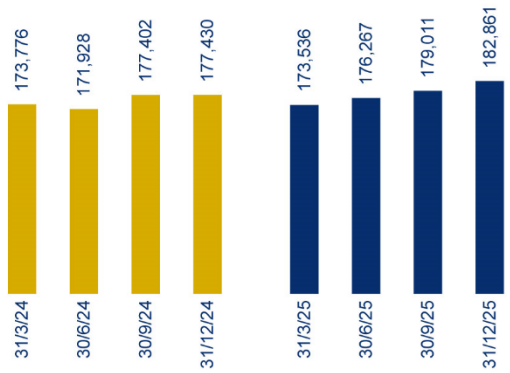
Figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

(*) The value of the Liabilities for remaining coverage in the Non-Life columns also includes the liabilities measured using the simplified Premium Allocation Approach, which does not require the opening in the individual breakdown captions.

(**) Values included in the Balance Sheet under “Financial liabilities designated at fair value pertaining to insurance companies”.

(***) Values included in the Balance Sheet under “Financial liabilities at amortised cost pertaining to insurance companies”. The caption includes subordinated liabilities.

Quarterly development
Direct deposits from insurance business
(millions of euro)



Direct deposits from insurance business stood at 182.9 billion euro as at 31 December 2025, up (+3.1%, or +5.4 billion euro) on the end of 2024. The change was attributable to the increase in insurance liabilities (+5.1%, or +6.4 billion euro), referring to liabilities for remaining coverage, only partially offset by the decrease in financial liabilities of the life business (-2.9%, or -1.5 billion euro), comprised of unit-linked products. Other insurance deposits, which represent a marginal component of the total aggregate and include subordinated liabilities, increased by 0.5 billion euro compared to December 2024, essentially relating to a Tier 2 issue placed on the institutional market by Intesa Sanpaolo Assicurazioni at the beginning of March.

NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS AND ASSOCIATED LIABILITIES

This caption contains assets and associated liabilities which no longer refer to continuing operations as they are being disposed of.

As at 31 December 2025, assets held for sale amounted to 1,065 million euro, mainly comprised of: (i) properties, including those subject to transfer under the agreement between Intesa Sanpaolo and COIMA, for a total value of around 0.5 billion euro, due to be completed in 2026; and (ii) non-performing loans of 1.9 billion euro gross, due to be disposed as part of de-risking initiatives.

At the end of 2025, associated liabilities amounted to 45 million euro.

As at 31 December 2024, assets held for sale amounted to 667 million euro, represented by: (i) the investment in Cronos Vita Assicurazioni, which was subject to total, non-proportional demerger with effect on 1 October 2025; (ii) properties, including those subject to the above-mentioned agreement with COIMA, and (iii) non-performing loans with a total gross value of 0.3 billion euro, whose sale was finalised during the first quarter of 2025. Associated liabilities amounted to 5 million euro.

SHAREHOLDERS' EQUITY

As at 31 December 2025, the Group's shareholders' equity amounted to 65,226 million euro compared to the 65,176 million euro as at 31 December 2024.

Shareholders' equity at the end of 2025 incorporated the income accrued during the year (9,321 million euro) and was impacted by the distribution of the remaining dividend on 2024 income in May 2025 (-3,043 million euro) and the interim dividend on 2025 income paid in November 2025 (-3,234 million euro).

The Shareholders' equity as at 31 December 2025 also reflected: (i) the decrease in reserves of 2 billion euro relating to the programme of purchase of own shares for annulment (buyback) which was executed in the manner and within the terms approved by the Shareholders' Meeting of Intesa Sanpaolo on 29 April 2025, from 2 June to 17 October 2025; (ii) the movements in AT1 capital instruments (new issues and early redemptions) resulting in an overall change of around -1 billion euro; and (iii) the recognition of the one-off levy of around 570 million euro in accordance with Article 1, paragraphs 69-71 of Law No. 199 of 30 December 2025, equivalent to 27.5% of the Net income reserve pursuant to Law 136 of 9/10/2023 of 2,069 million euro. The Shareholders' Meetings of Intesa Sanpaolo and of the subsidiaries to which the 2025 Financial Statements are submitted for approval are called upon to decide on the approval of the allocation of the one-off levy to the specific Shareholders' Equity reserves identified by their respective Boards of Directors.

Valuation reserves

(millions of euro)

	Reserve 31.12.2024	Change of the period	Reserve 31.12.2025
Financial assets measured at fair value through other comprehensive income (debt instruments)	-1,972	889	-1,083
Financial assets measured at fair value through other comprehensive income (equities)	-270	62	-208
Property and equipment	1,847	2	1,849
Foreign investment hedges	-10	-19	-29
Cash flow hedges	-119	2	-117
Foreign exchange differences	-1,490	4	-1,486
Non-current assets held for sale and discontinued operations	-	-	-
Financial liabilities designated at fair value through profit or loss (change in its creditworthiness)	-190	-39	-229
Actuarial profits (losses) on defined benefit pension plans	-178	32	-146
Portion of the valuation reserves connected with investments carried at equity	35	-36	-1
Legally-required revaluations	312	-	312
Valuation reserves (excluding valuation reserves pertaining to insurance companies)	**-2,035**	**897**	**-1,138**
Valuation reserves pertaining to insurance companies	**-297**	**-77**	**-374**

Bank valuation reserves (excluding those pertaining to insurance companies) were negative (-1,138 million euro), improving by 897 million euro compared to 31 December 2024 (-2,035 million euro), mainly due to the trend in reserves on debt securities and equity instruments. The valuation reserves of the insurance companies, amounting to -374 million euro, worsened by 77 million euro compared to the figure at the end of 2024.

Reconciliation of the Parent Company's shareholders' equity and net income (loss) with consolidated shareholders' equity and net income (loss)

(millions of euro)

	Shareholders' equity	of which Net income (loss) as at 31.12.2025
Parent Company's balances as at 31 December 2025	**51,857**	**6,844**
Effect of consolidation of subsidiaries	6,890	6,777
Effect of valuation at equity of companies subject to joint control and other significant equity investments	-499	67
Elimination of adjustments to equity investments and recognition of impairment of goodwill	6,970	135
Dividends collected during the period	-	-4,508
Other	8	6
Consolidated balances as at 31 December 2025	**65,226**	**9,321**

OWN FUNDS AND CAPITAL RATIOS

(millions of euro)

Own funds and capital ratios	31.12.2025	31.12.2024
Own funds		
Common Equity Tier 1 capital (CET1) net of regulatory adjustments	40,854	39,307
Additional Tier 1 capital (AT1) net of regulatory adjustments	7,668	7,551
TIER 1 CAPITAL	**48,522**	**46,858**
Tier 2 capital net of regulatory adjustments	9,519	9,539
TOTAL OWN FUNDS	**58,041**	**56,397**
Risk-weighted assets		
Credit and counterparty risks	241,309	252,395
Market and settlement risks	14,980	12,690
Operational risks	53,651	31,098
Other specific risks (a)	261	183
RISK-WEIGHTED ASSETS	**310,201**	**296,366**
% Capital ratios		
Common Equity Tier 1 capital ratio	13.2%	13.3%
Tier 1 capital ratio	15.6%	15.8%
Total capital ratio	18.7%	19.0%

(a) The caption includes all other elements not contemplated in the foregoing captions that are considered when calculating total capital requirements.

Own Funds, risk-weighted assets and the capital ratios as at 31 December 2025 were calculated according to the harmonised rules and regulations for banks and investment firms contained in Directive 2013/36/EU (CRD) and in Regulation (EU) 575/2013 (CRR) as amended, which transpose into the European Union the standards defined by the Basel Committee on Banking Supervision (the Basel Framework), and on the basis of the related Bank of Italy Circulars.
It should be noted that Regulation (EU) 2024/1623 (CRR3), which transposes the principles of Basel 4 into European law, is applicable from 1 January 2025. The first-time adoption of Basel 4 generated an impact of slightly more than 40 basis points on the CET 1 ratio.

Own funds
As at 31 December 2025, Own funds amounted to 58,041 million euro.
Even if the transitional period of IFRS 9 has ended, own funds take account of the provisions of the 2019 Budget Act (as amended), which temporarily called for - currently up to 2029 - the adjustments upon first-time adoption of the Standard to be applied in instalments for tax purposes, with the recognition of the resulting DTAs. These DTAs were fully included in the calculation of the thresholds established in Article 48 CRR, over the same time period. As at 31 December 2025, those IFRS 9 DTAs did not generate any deduction from Own funds, and are included among risk-weighted assets.
Own Funds also take into account the applicable amount, object of deduction from CET1, related to the minimum coverage of losses on non-performing exposures, known as Minimum Loss Coverage, based on the provisions of Regulation (EU) 630/2019 of 17 April 2019.

Moreover, in compliance with Article 3 of the CRR ("Application of stricter requirements by institutions"), the calculation of the own funds as at 31 December 2025 included the voluntary deduction of around 23 basis points from the CET 1 of the calendar provisioning[38] on exposures within the scope of Pillar 2.
Since 30 June 2023, the Intesa Sanpaolo Group has been complying with EBA Q&A 2021_6211, which clarifies that the amount of goodwill to deduct from an institution's CET 1 must be that relating to directly controlled insurance companies, recognised at the date of acquisition of the significant investment in those companies, without considering the goodwill referring to subsequent acquisitions made. The latter amount was included in the calculation of risk-weighted assets (RWA), thus falling under the ordinary treatment that the Group reserves for equity investments in insurance companies.
For the purposes of calculating own funds as at 31 December 2025 the net income for 2025 was considered, less the related dividend and other foreseeable charges[39]. It should be noted that these foreseeable charges also take into account the amount of 2.3 billion euro authorised by the ECB, for the purchase of own shares for annulment (share buyback), as approved by the Board of Directors on 2 February 2026, to be initiated in July 2026, subject to approval by the Shareholders' Meeting.

Risk-weighted assets
As at 31 December 2025, risk-weighted assets came to 310,201 million euro, resulting primarily from credit and counterparty risk and, to a lesser extent, operational and market risks.
Common Equity Tier 1 Capital and risk-weighted assets as at 31 December 2025 take account of the impact of the application of the "Danish Compromise" (Art. 49.1 of Regulation (EU) 575/2013), as per the specific authorisation received from the ECB in 2019, according to which insurance investments are treated as risk-weighted assets[40] instead of being deducted from capital.

Capital ratios
On the basis of the foregoing, capital ratios as at 31 December 2025 amounted to the following: Common Equity ratio of 13.2% (including the previously-mentioned impact of the first-time adoption of CRR3/Basel 4, equal to slightly more than 40 basis points), Tier 1 ratio of 15.6% and Total capital ratio of 18.7%.
Finally, on 10 December 2024, Intesa Sanpaolo announced that it had received notification of the ECB's final decision concerning the capital requirement that the Bank has to meet, on a consolidated basis, as of 1 January 2025, following the results of the Supervisory Review and Evaluation Process (SREP).
The overall requirement to be met in terms of Common Equity Tier 1 ratio is currently 9.88%, inclusive of the Capital Conservation Buffer, O-SII Buffer and Countercyclical Capital Buffer[41] and Systemic Risk Buffer[42] requirements.
Instead, the ECB's final decision of 31 October 2025, concerning the capital requirement to be met as of 1 January 2026, set the current requirement at 9.97%.

[38] The addendum to ECB Guidance on non-performing loans of 2018 contemplates the possibility that banks "deduce" on their own initiative specific amounts from CET 1, to anticipate supervisory requests, in the event of divergence between the prudential framework, which expects adjustments not based on credit risk measurement criteria, and the accounting framework.
[39] Coupons accrued on Additional Tier 1 issues (402 million euro) and proposed assignment to the Allowance for charitable, social and cultural contributions (30 million euro).
[40] From the first-time adoption of the new Basel 4 framework, the risk weight of 250% provided for equity exposures has been applied to those exposures, in place of the 370% previously applied up to 31 December 2024.
[41] The Countercyclical Capital Buffer is calculated taking into account the exposure as at 31 December 2025 in the various countries where the Group has a presence, as well as the respective requirements set by the competent national authorities and relating to 2027, where available, or the most recent update of the reference period (requirement was set at zero per cent in Italy for 2025 and for the first quarter of 2026).
[42] The Systemic Risk Buffer is calculated taking into account the exposure as at 31 December 2025 to residents in Italy.

Reconciliation of Shareholders' equity and Common Equity Tier 1 capital

(millions of euro)

	31.12.2025	31.12.2024
Group Shareholders' equity	65,226	65,176
Minority interests	152	145
Shareholders' equity as per the Balance Sheet	**65,378**	**65,321**
Interim dividend (a)	3,234	3,022
Adjustments for instruments eligible for inclusion in AT1 or T2 and net income for the period		
- Other equity instruments eligible for inclusion in AT1	-7,668	-7,551
- Minority interests eligible for inclusion in AT1	-	-
- Minority interests eligible for inclusion in T2	-	-
- Ineligible minority interests on full phase-in	-152	-145
- Ineligible net income for the period (b)	-6,683	-6,217
- Own shares included under regulatory adjustments (c)	2,555	2,176
- Buyback of own shares (d)	-2,300	-2,000
- Other ineligible components on full phase-in (e)	-105	-1,247
Common Equity Tier 1 capital (CET1) before regulatory adjustments	**54,259**	**53,359**
Regulatory adjustments (f)	**-13,405**	**-14,052**
Common Equity Tier 1 capital (CET1) net of regulatory adjustments	**40,854**	**39,307**

(a) As at 31 December 2025 and 31 December 2024 the Shareholders' equity as per the Balance Sheet did not include the interim dividend, of 3,234 and 3,022 million euro respectively (net of the undistributed portion in respect of the own shares held at the record date).

(b) Common Equity Tier 1 capital as at 31 December 2025 includes the net income as at that date, less the related dividend, the accrued coupon on Additional Tier 1 instruments net of tax effects and charity allowance.

(c) The amount includes, in addition to the book value of own shares, the unused portion of the ceiling for which the Bank has received the buyback authorisations.

(d) As at 31 December 2025, the amount refers to the total value of the programme of purchase of own shares for annulment (buyback), amounting to 2.3 billion euro, as the related authorisation from the Supervisory Authority was received, subject to the approval of the Shareholders' Meeting.

(e) As at 31 December 2024, the amount included a deduction of 1,150 million euro following the authorisation - received during the fourth quarter - for the repurchase of two AT1 instruments.

(f) The regulatory adjustments as at 31 December 2025 no longer include the impact of the application of the IFRS 9 transitional filter - the applicability of which ended in 2022 - conversely, they include 717 million euro of Article 3 CRR additional deduction (for the calendar provisioning on exposures included within the scope of Pillar 2).

Changes in risk-weighted assets

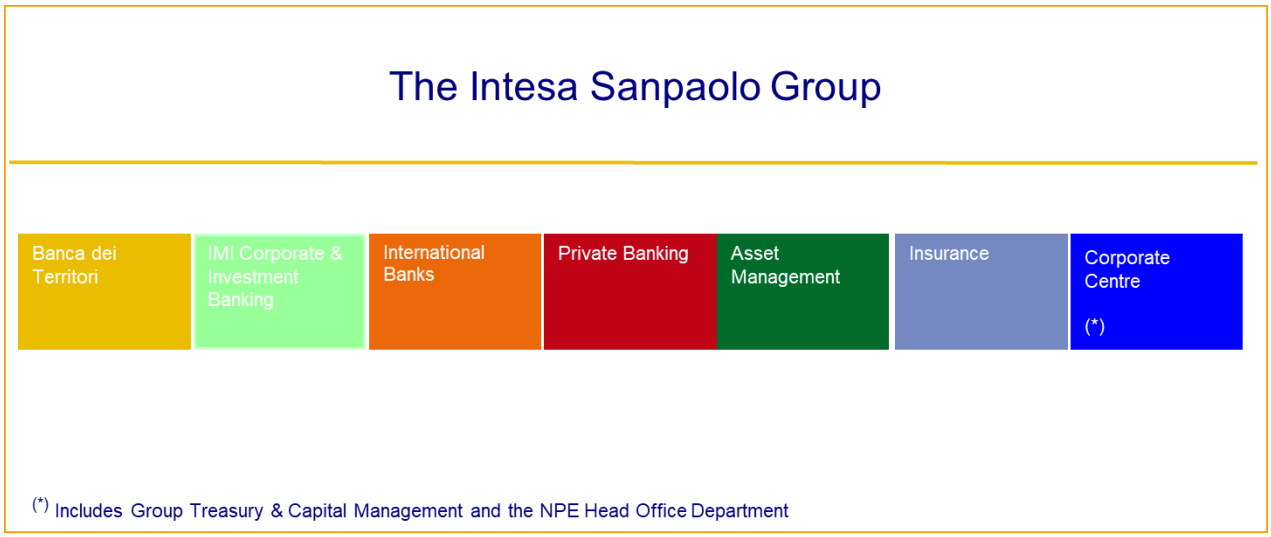
(millions of euro)

Risk-weighted assets as at 31.12.2024	**296,366**
Credit and counterparty risk	-11,086
Market and settlement risk	2,290
Operational risks	22,553
Other specific risks	78
Risk-weighted assets as at 31.12.2025	**310,201**

During 2025, risk-weighted assets for credit and counterparty risk decreased by around 11.1 billion euro, mainly due to the introduction of Basel 4 regulations (primarily due to the standardised treatment of the equity scope and the change in weighting of insurance counterparties), the trend in the loan portfolio (especially due to the endorsement of the authorisation linked to the Large Corporate Model Change) and the finalisation of several synthetic securitisations.
The increase in risk-weighted assets for market risks (+2.3 billion euro) is mainly attributable to the increase in trading volumes compared to 2024, partially offset by a reduction in capital absorption of the Parent Company's securitisations and tax credits.
The increase in risk-weighted assets for operational risks (around +22.6 billion euro) is attributable to the introduction of the new Basel 4 regulations, with the resulting application of the standardised approach to calculate the capital requirement.
Other specific risk-weighted assets were essentially stable.

Breakdown of consolidated results by business area and geographical area

Breakdown of consolidated results by business area and geographical area



The Intesa Sanpaolo Group's segment reporting is based on the elements that management uses to make its own operating decisions (the "management approach") and is therefore consistent with the disclosure requirements of IFRS 8.
In addition to reflecting the operating responsibilities assigned in accordance with the Group's organisational structure, the business areas are an aggregation of business lines similar in the type of products and services they sell.

The table below shows the main data summarising the trend of the business areas of the Intesa Sanpaolo Group in 2025 compared to the like-for-like comparison data.

The following itemised analysis of the business areas contains a description of the products and services offered, the type of customers served and the initiatives carried out in the year; it also illustrates income statement figures and the main balance sheet aggregates. Finally, for each business area, the capital absorbed based on Risk Weighted Assets (RWAs) was also calculated. RWAs were determined in accordance with the provisions in force (Circular 285) issued by the Bank of Italy following the implementation of Directive 2013/36/EU (CRD) and Regulation (EU) 575/2013 (CRR) of 26 June 2013, amended by Regulation (EU) 876/2019 of 20 May 2019, known as CRR 2, which transpose the banking supervision standards defined by the Basel Committee (the Basel 3 Framework) to European Union laws. Moreover, on 19 June 2024, Regulation (EU) 2024/1623 (also known as CRR3) which, in transposing the principles of Basel IV into European law, amending Regulation (EU) 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor was published in the Official Journal of the European Union. The most significant amendments introduced by the new regulatory framework came into effect from 1 January 2025. Absorbed capital also takes account of the regulatory changes introduced by the ECB with effect from 12 March 2020, allowing the Pillar 2 requirement to be met partially using equity instruments not classified as Common Equity Tier 1. For each Division, the absorbed capital is supplemented, where necessary, with management data on "economic" capital to take into account the risks not covered by the regulatory metric.

Division figures for the comparative periods have been restated to reflect the changes in scope of the business areas, where necessary and if they are material. In particular:
– the entry into the scope of consolidation of the Romanian bank First Bank S.A.[43](International Banks Division), acquired on 31 May 2024;
– the line-by-line scope of consolidation of Alpian S.A. (Private Banking Division), previously consolidated using the equity method, following the capital increase finalised in the third quarter of 2024, which brought the percentage of the Group's stake in the company to 61.599% (of which 51.141% held by Fideuram - Intesa Sanpaolo Private Banking and 10.458% by Reyl & Cie)[44].

[43] With legal effect on 31 October 2025, First Bank S.A. was merged into Banca Comerciala Intesa Sanpaolo Romania S.A. (Intesa Sanpaolo Bank Romania).
[44] Following the finalisation of: (i) the first tranche of CHF 25 million of a new capital increase of Alpian in June 2025, and (ii) the second tranche of CHF 15 million in November 2025, both fully subscribed by Fideuram - Intesa Sanpaolo Private Banking, including the portion of unsubscribed shares attributable to Reyl & Cie and other shareholders, the Group's direct percentage stake in the company as at 31 December 2025 rose to 70.828%, of which 62.884% held by Fideuram - Intesa Sanpaolo Private Banking and 7.944% by Reyl & Cie.

Lastly, during the year, several corporate operations that involved the perimeter of the Asset Management Division and the Private Banking Division took effect, as part of the strategic evolution of the Group's asset management product factories. In that regard, it is specified that the comparison data were not restated, given the immateriality of the impacts.
In particular:

– the full demerger of Fideuram – Intesa Sanpaolo Private Banking Asset Management SGR (Private Banking Division) in favour of Eurizon Capital SGR (Asset Management Division) took effect on 1 July 2025, for the business line organised for collective asset management, and of Fideuram - Intesa Sanpaolo Private Banking (Private Banking Division), for the set of assets not pertaining to that business.
– the partial demerger of Eurizon Capital SGR (Asset Management Division) in favour of Fideuram - Intesa Sanpaolo Private Banking (Private Banking Division) involving the business line consisting of selected individual portfolios of Eurizon Capital SGR distributed by the networks of the Private Banking Division took effect on 1 October;
– Fideuram Asset Management UK (Private Banking Division) transferred its business to Eurizon SLJ Capital (Asset Management Division) on 17 November, starting the liquidation process of the company.

Summary figures by business area

(millions of euro)

	Banca dei Territori	IMI Corporate & Investment Banking	International Banks	Private Banking	Asset Management	Insurance	Corporate Centre	Total
Operating income								
2025	12,254	4,824	3,258	3,440	1,058	1,806	630	27,270
2024	11,868	3,959	3,240	3,355	1,005	1,720	1,960	27,107
% change	3.3	21.8	0.6	2.5	5.3	5.0	-67.9	0.6
Operating costs								
2025	-6,306	-1,551	-1,413	-1,080	-251	-387	-512	-11,500
2024	-6,444	-1,552	-1,373	-1,066	-251	-380	-504	-11,570
% change	-2.1	-0.1	2.9	1.3	-	1.8	1.6	-0.6
Operating margin								
2025	5,948	3,273	1,845	2,360	807	1,419	118	15,770
2024	5,424	2,407	1,867	2,289	754	1,340	1,456	15,537
% change	9.7	36.0	-1.2	3.1	7.0	5.9	-91.9	1.5
Net income (loss)								
2025	2,815	2,047	1,240	1,625	936	895	-237	9,321
2024	2,352	1,566	1,146	1,462	579	1,150	411	8,666
% change	19.7	30.7	8.2	11.1	61.7	-22.2		7.6

(millions of euro)

	Banca dei Territori	IMI Corporate & Investment Banking	International Banks	Private Banking	Asset Management	Insurance	Corporate Centre	Total
Loans to customers								
31.12.2025	219,992	124,132	48,944	14,685	351	-	16,929	425,033
31.12.2024	221,231	126,059	45,255	14,022	254	-	14,691	421,512
% change	-0.6	-1.5	8.2	4.7	38.2	-	15.2	0.8
Direct deposits from banking business								
31.12.2025	260,614	127,337	64,693	45,675	-	-	101,880	600,199
31.12.2024	258,772	125,194	60,922	47,921	15	-	91,684	584,508
% change	0.7	1.7	6.2	-4.7		-	11.1	2.7
Risk-weighted assets								
31.12.2025	90,663	112,547	41,061	16,487	2,868	-	46,575	310,201
31.12.2024	76,385	106,967	38,271	12,388	2,027	-	60,328	296,366
% change	18.7	5.2	7.3	33.1	41.5	-	-22.8	4.7
Absorbed capital								
31.12.2025	8,704	10,824	4,772	1,639	313	5,339	2,981	34,572
31.12.2024	6,943	9,748	4,311	1,193	219	4,419	3,201	30,034
% change	25.4	11.0	10.7	37.4	42.9	20.8	-6.9	15.1

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents and discontinued operations.

BUSINESS AREAS

Banca dei Territori

(millions of euro)

Income statement	2025	2024	Changes amount	Changes %
Net interest income	6,890	6,854	36	0.5
Net fee and commission income	5,161	4,881	280	5.7
Income from insurance business	-	-	-	-
Profits (Losses) on financial assets and liabilities at fair value	201	120	81	67.5
Other operating income (expenses)	2	13	-11	-84.6
Operating income	**12,254**	**11,868**	**386**	**3.3**
Personnel expenses	-3,381	-3,456	-75	-2.2
Administrative expenses	-2,923	-2,986	-63	-2.1
Adjustments to property, equipment and intangible assets	-2	-2	-	-
Operating costs	**-6,306**	**-6,444**	**-138**	**-2.1**
Operating margin	**5,948**	**5,424**	**524**	**9.7**
Net adjustments to loans	-1,476	-1,043	433	41.5
Other net provisions and net impairment losses on other assets	-119	-151	-32	-21.2
Other income (expenses)	51	17	34	
Income (Loss) from discontinued operations	-	-	-	-
Gross income (loss)	**4,404**	**4,247**	**157**	**3.7**
Taxes on income	-1,406	-1,398	8	0.6
Charges (net of tax) for integration and exit incentives	-145	-287	-142	-49.5
Effect of purchase price allocation (net of tax)	-15	-20	-5	-25.0
Levies and other charges concerning the banking and insurance industry (net of tax)	-23	-190	-167	-87.9
Impairment (net of tax) of goodwill and other intangible assets	-	-	-	-
Minority interests	-	-	-	-
Net income (loss)	**2,815**	**2,352**	**463**	**19.7**

(millions of euro)

	31.12.2025	31.12.2024	Changes amount	Changes %
Loans to customers	219,992	221,231	-1,239	-0.6
Direct deposits from banking business	260,614	258,772	1,842	0.7
Risk-weighted assets	90,663	76,385	14,278	18.7
Absorbed capital	8,704	6,943	1,761	25.4

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents and discontinued operations.

The **Banca dei Territori Division** oversees the traditional lending and deposit collection operations in Italy and associated financial services, targeted to Retail, Exclusive and SMEs, including Agribusiness and non-profits.
This Division also includes leasing, factoring and subsidised finance activities, as well as the digital bank Isybank (which also operates in instant banking through Mooney, in partnership with Enel X) and Prestitalia (operating in the consumer credit segment).

Banca dei Territori's operating income was 12,254 million euro in 2025, amounting to around 45% of the Group's consolidated revenues, showing growth (+3.3%) on the previous year.
In detail, net fee and commission income increased (+5.7%), driven by the wealth management segment, bolstered by higher placement levels than in 2024, especially in funds and certificates, by the higher contribution from advisory services and the non-life insurance segment, within the commercial banking fees, fees and commissions on cards and other payment and electronic services decreased. Net interest income was substantially stable (+0.5%) compared to the previous year. Among the other revenue components, which provide a marginal contribution to the Division's operating income, the profits (losses) on financial assets and liabilities at fair value came to 201 million euro (+81 million euro) and other net operating income amounted

to 2 million euro (13 million euro in 2024). Operating costs, amounting to 6,306 million euro, fell by 2.1%, thanks to savings on personnel and administrative expenses. As a result of the above, the operating margin rose to 5,948 million euro, compared to 5,424 million euro in the previous year (+9.7%). Following the allocation of higher net adjustments to loans (+41.5%), including allocations to favour de-risking, gross income amounted to 4,404 million euro, up by 3.7%. Lastly, after allocation to the Division of taxes of 1,406 million euro, charges for integration of 145 million euro, the economic effects of purchase price allocation of 15 million euro and levies and other charges concerning the banking and insurance industry of 23 million euro, net income came to 2,815 million euro compared to 2,352 million euro in 2024, which included levies and other charges concerning the banking and insurance industry of 190 million euro, including the deposit guarantee component.

In quarterly terms, the operating margin decreased on the third quarter of 2025, attributable to an increase in operating costs, typical of the year-end, only partially offset by the increase in revenues. That trend is also reflected on the gross income and net income, impacted by higher net adjustments to loans.

The balance sheet figures at the end of December 2025 showed substantial stability in total intermediated volumes of funding and deposits from the end of December 2024 (+0.1%). In detail, loans to customers, amounting to 219,992 million euro, decreased slightly (-0.6%, or -1.2 billion euro), reflecting the declining trend in loans to businesses, partly offset by the positive evolution of loans to retail customers. Direct deposits from banking business, amounting to 260,614 million euro, grew slightly compared to the end of 2024 (+0.7%, or +1.8 billion euro) mainly due to an increase in amounts due to retail customers.

Business	Traditional lending and deposit collection operations in Italy and associated financial services.
Mission	To serve Retail, Exclusive, and Small and Medium Enterprise customers, including Agribusiness and non-profits, creating value through: – widespread local coverage; – focus on the characteristics of local markets, and the needs of customer segments serviced; – development of service levels to customers using different channels in order to improve the efficiency of the commercial offering; – development and management of products and services for the target customers, as well as of leasing, factoring and subsidised finance products for the Group in Italy; – the centrality of the roles of the officers responsible for the Regional Governance Centres, Area Governance Centres and branches as points of reference for the Group at local level.
Organisational structure	
Wealth Management & Protection Sales & Marketing; Digital Retail Sales & Marketing and SME Sales & Marketing Departments	Overseeing the Retail sector, which consists of the segments Individuals, Affluent and Retail Companies, the Exclusive sector (retail customers with high asset and wealth standing and complex financial needs) and the SME area (small businesses, businesses and top businesses with high complexity and potential for growth).
Agribusiness Department	Serving agriculture and agribusiness.
Impact Department	Aimed at developing the initiatives of Impact Bank and serving non-profit organisations.
Isybank	The Group's digital bank developed for customers that primarily use on-line channels, who can carry out operations that meet their needs autonomously and remotely, using the app and with the support of the Digital Branch.
Product companies	Prestitalia: a financial intermediary operating in the Italian market of consumer credit, specialising in the salary-backed loans segment.
Distribution structure	Approximately 2,400 Branches, including Retail, Exclusive and Business branches, distributed broadly throughout Italy, the Agribusiness branches dedicated to companies operating in agribusiness, and Impact branches dedicated to the non-profit sector. The territorial structure is divided into 14 Governance Centres: Agribusiness, Impact and 12 Regional Governance Centres, with around 310 commercial areas. In order to favour the commercial focus and guarantee a better control of the service level, there are three Commercial Managers, specialised by "commercial territory" (Retail, Exclusive and Businesses) that report directly to the Regional Manager. These were joined by the Digital Channels Bdt structure, as part of the strategic initiatives to develop the digital bank, and the Digital Branch Department, to oversee commercial relations with customers via the telephone channel and other related channels (chat, video calls) and the remote offering. Alongside the account manager, who is the point of reference in relations with customers, a fundamental role is played also by specialists dedicated to specific operating issues, to offer an increasingly comprehensive, tailor-made service. Moreover, to support the Network, Global Advisors, located throughout the entire country, are one of the strengths to consolidate the oversight of relations with high value private customers, also thanks to the off-site offering.

Wealth Management & Protection Sales & Marketing, Digital Retail Sales & Marketing and SME Sales & Marketing Departments

Investment and Pension Funds

The advanced advisory paid service "Valore Insieme", launched in 2017, proposes a global advisory model over all of the customer's assets, including real estate, also assisting customers in planning the transfer of wealth to their loved ones. New content has been available for customers who subscribe to the service since March 2025. The main changes in the "Asset Analysis Report" regard the inclusion in the chapter "Evolution of Your Portfolio over Time" of two new sections: the calendar of coupons, dividends and income from products held in the portfolio and the calendar of maturing products in the portfolio. In the chapter "Pension Analysis", the "Pension Position" section was added, which, in addition to the amount already paid, also reports the total payments planned for the current year and the details of those previously made. This information provides the customer with more evidence of any additional areas for tax deductions. The offering of portfolios in Best Expertise funds, dedicated to holders of the Valore Insieme advisory contract was expanded with two new balanced funds, Eurizon Global Cautious Allocation and Eurizon Global Allocation, and one equity fund, Eurizon Fund Global Equity, which joined the recommended portfolios. Moreover, in the second half, access to the Eurizon Multimanager Trend range, previously called Eurizon Exclusive Multimanager Trend and reserved to holders of the Exclusive package, was extended to all customers who subscribed to the Valore Insieme advisory service.

Also regarding asset management products, the offering was further expanded, promoting solutions aligned to the pursuit of medium- to long-term growth objectives, in addition to capital-protected solutions. The range of protected funds was expanded with the new funds Eurizon Soluzione Protetta Riserva, Eurizon Orizzonte Protetto 5 anni, Eurizon Soluzione Top Trend Protetta 5 anni and Eurizon Soluzione Protetta Imprese 1 anno, a restyling of the Epsilon Imprese Protezione 1 anno fund, targeted to legal persons. With regard to the offering aimed at portfolio diversification and capital growth, an offering of funds providing gradual entry into the stock market was implemented with the Eurizon Bilanciato 75 fund, which provides a nine-month phase of gradual entry into the stock market. Consistently, the gradual accumulation period of the new windows of Eurizon Bilanciato 25 and Eurizon Bilanciato 50 were increased from six to nine months. New bond funds which invest with a Buy&Watch approach were also launched: Eurizon Opportunità Obbligazionaria Valore, Eurizon Strategia Credito 3 Anni, Eurizon Strategia Obbligazionaria 5 anni, Eurizon Strategia Obbligazionaria High Yield 5 anni and Eurizon Obbligazioni Finanziarie 5 Anni. In the second half the multimanager offering of funds was also expanded, with the new range of 3 Eurizon Market Selection funds of funds, which invest in ETFs issued by Eurizon and by leading asset management companies. The new Eurizon Fund Aggregate Green Bonds Short Term thematic fund was also launched, specialising in investing in short-term global green bonds issued by governments and corporate issuers.

For insurance investment products, we continued to promote the Class I policies of Intesa Sanpaolo Assicurazioni with additional insurance coverage (accidental death or permanent loss of self-sufficiency) placed since October 2024, accompanied by the Class I offering without accessory insurance coverage, for customers that do not demonstrate this need. Specifically, in the first half, the placement of the new Class I policy, "Patrimonio Garanzia", was launched. This product is a whole-life Class I policy without insurance coverage, which invests in two segregated funds, which provides the guarantee of return of the amount invested in the event of redemption or claims by the Insurance Company. As regards Class III (unit-linked) insurance investment products, from January to April, the following were made available: Base Protetta 100 Blue Horizon, the internal protected on maturity fund of the Prospettiva Dublin Branch and Patrimonio Pro Dublin Branch policies and previous versions of the Prospettiva family, Valore Pro Insurance and Patrimonio Pro Insurance. In March, "Opportunità Dublin Branch" was made available. This is the new "single strategy" policy that allows customers to invest in a single thematic fund in line with the opportunities offered by the markets and to obtain protection on maturity. The internal fund, available up to 13 June, was called Trend Artificial Intelligence (TAI), with a focus on companies linked to the issue of Artificial Intelligence. From 16 June to 3 October, the internal fund Trend Infrastrutture Globali was available, with a focus on large international companies investing in infrastructure, while from 6 October 2025 to 23 January 2026 the Trend Aerospace and Defense fund was made available, with a focus on primarily European companies that develop and produce cutting-edge technology for the aerospace and defence industries. Intesa Sanpaolo Assicurazioni Dublin Branch may make new internal funds available over time and interested customers can subscribe a new contract, or ask to transfer the units held, completely switching over to the new fund.

The placement of certificates continued during the year, with a diversified offering, differentiated by structure, level of protection and duration. The offering prioritised products with fully protected capital on maturity, accompanied, as always, by products with conditionally protected capital. During the year, product durations were modulated based on the variable evolution of the market, with specific appreciation expressed for 4- and 5-year products.

Lastly, the offering of savings certificates has been maintained, also in combination with the subscription of asset management products.

Regarding the Robo4Advisor, the percentage of consultancy carried out by relationship managers with the support of this tool continued to grow significantly.

Mortgages

In 2025, Intesa Sanpaolo introduced new offerings for customers aimed at further enhancing its catalogue, with a particular focus on "Green", "Youth", "Consap", and "Subrogations".

For under-36s applying for a loan for the purchase of their first home, the offering of the dedicated fixed-rate mortgage loans continued, also with high LTV (over 80%) and a duration of up to 40 years. The favourable economic terms for under-36s were also extended to the target of customers from 36 to 45 years of age. The discounts, applicable to all durations and LTV levels, have also been maintained, which include the waiver of instalment collection fees and payment due or receipt notice fees, and the activation of flexibility options, while for applications for fixed-rate mortgages with a duration of 35 or 40 years and LTV of less than 80%, a discount of 50% was applied on processing fees.

The fixed-rate offering dedicated to customers that underwrite mortgage loans backed by the primary residence guarantee – Consap continued, only for mortgage loans with LTV exceeding 80%, which provided a discount of 115 basis points in addition to eliminating processing fees, instalment collection fees and payment due notices, plus additional options.

The trend in interest rates in the money markets has provided the opportunity to subrogate considerable volumes disbursed, also recently, by other banks. Intesa Sanpaolo continued its Subrogation Promotion, offering a discount of 30 basis points for LTV up to 80% on fixed-rate subrogations exceeding 100 thousand euro.
The offering of Green mortgage loans, which consider the energy consumption of the property expressed in Kwh/m^2 (PED) of the year of construction (pre- or post-2020) its location in one of the six climate zones of Italy, continued. This made it possible to ensure the utmost transparency to customers, giving them the option to subscribe a product in line with regulations set out in the European Taxonomy. During the first half, favourable terms improved, with a reduction of 50 basis points in the interest rate (compared to the previous 35 basis points) and the cancellation of processing fees. As an additional element of value of this promotion, please remember that this Green discount can be combined with the Youth, Consap or Subrogations promotions.
After loans and transactional products, mortgage loans were also impacted by the isytech process: specifically, during the first half, the pilot project of XME Mutuo was launched, which was then extended to all the Regional Governance Centres of the Banca dei Territori Division. With the new loan, customers can obtain 100% of the value of the property, also for second homes, with a duration of up to 40 years (also for subrogation) for under 40s, and flexible durations with annual steps. Releases continued in the second half, achieving omni-channel development brand (branch, off-site offering, remote and in-self offerings), granting customers the option to choose how and where to interact with the bank, always with the human support of their advisor.

Personal loans

The offering on multiple-channel personal loans continued, with a particular focus on digital sales supported by various commercial initiatives. Specifically, thanks to XME Prestito Diretto, the fully digital special-purpose loan of the Bank, customers can finance the purchase of partner products directly online from their home banking, both using the mobile app and internet banking. The online catalogue is rich in some of the most exclusive brands and products on the high-tech market. which, in mid-December, it was enriched due to a commercial agreement with EssilorLuxottica, among leading groups in manufacturing and selling glasses.
As part of the digital evolution of the Bank, which is based on principles of using multiple channels and simplifying products, the release of the new product XME Prestito which replaced XME Prestito Facile concluded in February. The instalment line of credit XME Spensierata was also involved in the bank's digital transformation, and was replaced by the new product SpensieRata. Moreover, with a view to streamlining the product range, XME Facile Monorata was ported to the isytech platform, as part of XME Prestito. Thus, for applications for personal loans to consolidate outstanding loans with Intesa Sanpaolo and/or other banks, customers can use XME Prestito, selecting the new "Macrobisogno Rata Unica". Intesa Sanpaolo also continued the activity of directing customers towards Prestitalia, a Group company specialised in the sale of salary-backed loans, for the XME Prestito Cessione del Quinto (CQS), XME Prestito Pensionati INPS (CQP) and XME Anticipo TFS (Trattamento di Fine Servizio) products for public sector pensioners.

Protection and Welfare

In the area of Healthcare coverage, several promotional initiatives continued up to March: one targeting retail customers that subscribed XME Protezione (the flexible multi-guarantee insurance solution that allowed customers to purchase coverage in the various areas they need, such a Healthcare, Home and Family) and one for business customers that subscribed collective healthcare policies. The first initiative, "XME Protezione Salute e Infortuni", protected the health of customers and their family members, with a discount of 20% on the premium for Infortuni+ coverage for those purchasing a Healthcare module and an Accident module. The second initiative, "Salute Protetta", dedicated to all Business customers who already subscribed a Healthcare product (Piano Sanitario Rimborso Spese Mediche or the Collettiva Malattie Gravi policy) provided a discount of 20% on the premium for the first year of the second product purchased between the two.
An additional two initiatives were activated from 14 June to 31 December. The "XME Protezione + Valore" promotion, dedicated to new subscribers of XME Protezione, which increased the value in the discount brackets if the customer purchases one or more modules, choosing from Casa Fabbricato+, Infortuni+, Ricoveri e Interventi and Malattie Gravi+. For the Infortuni+ and Ricoveri e Interventi modules, the value is increased further if the insured is a minor. The second promotion, dedicated to retail businesses, SME or agribusiness companies, is on the "Collettiva Malattie Gravi" policy and provides a discount of 20% for customers on the first year's premium, with the goal of supporting companies that assign value to protecting their employees.
Also in the Healthcare area, customers that signed up for the Salute XME Protezione modules subscribed from January 2021 to November 2024 can tacitly renew the contract without the maximum limit of 4 annual renewals anymore, and without the new to fill out a new health questionnaire, guaranteeing insurance continuity for them. In October, an upgrade of the Claims Tracking was made available for retail customers, with a multi-channel approach, adding information and functionalities through the review and introduction of new progress statuses for claims, and the extension of the Document Upload function.
The process of technological evolution of protection products continued. Thanks to the isytech project, both when finalising an XME Mutuo and in the repayment phase, protection policies can be proposed on the underlying asset and the loan: Incendio Mutui, which maintains the features of the current product, and ProteggiMutuo Smart, customisable and flexible in the event of several joint mortgage holders of the same mortgage loan.
Protection is a key element, also in managing company assets. For this reason, Intesa Sanpaolo decided to assist businesses with "Proteggi Business", protection solutions designed to deal with unforeseen events and support companies in interruptions of business due to damages or unexpected events. The following policies are part of the Proteggi Business initiative: Tutela Business - Commercio and Tutela Business - Manifattura, Cyber Protection Business and RC Ambientale. On 17 May, these policies were joined by the new Protezione Catastrofi Naturali Business policy, to meet the requirements of the Ministry of the Economy and Finance Ministerial Decree no. 18/2025, which introduced the obligation for Italian businesses to have insurance against damages from natural disasters and catastrophic events. The new policy Protezione Catastrofi Naturali Business provides both mandatory coverage (according to those set out in the Ministry of the Economy and Finance Ministerial Decree no. 18/2025) and optional supplementary coverage.
In the context of welfare, from the second half of 2025, employees of companies that are customers of the Welfare Hub platform can activate a new account agreement. In December a prize contest was activated, which allows them to receive a 50 euro Amazon gift card if they subscribe a new XME Protezione policy with at least 4 modules, of which at least one in the Healthcare area.

Young people

In addition to the initiatives relating to mortgages mentioned above, Intesa Sanpaolo continued to bring young people closer to the banking world through personalised solutions, such as "XME Conto UP!", a current account for children under the age of 18. The prize contest SwatchPAY! 2025 was activated for them from 4 June to 31 October, which provided a 90 euro voucher to purchase a SwatchPAY watch.
Up to 26 April 2026, under 35s can open an account using the isyPrime Plan on Isybank, the most complete promotion of the range, with zero monthly fee and stamp duty paid by the Bank until the customer turns 35. Isybank also participates in the Carta Giovani Nazionale (CGN) project, an initiative promoted by the President of the Council of Ministers - Department of Youth Policies and Universal Civil Service, targeted to young Italians and Europeans resident in Italy, aged 18 to 35 (until they reach their 36th birthday) which provides them with subsidised access to goods, services, experiences and opportunities. Up to 31 December, holders of the Giovani Nazionale card had the option to open an account with a Piano isyPrime plan by taking advantage of the free fee and stamp duty until they reach age 40.
The "Giovani e Lavoro" programme continued, aimed at supporting the employment of young people aged 18 to 29, which offers targeted training, free of charge, both for young people and for the participating businesses, favouring the effective matching of labour demand and supply, in addition to the Generation4Universities, which helps young university students start a career that offers opportunities for professional and personal growth, and involves universities throughout the country.

Transactional products and digital payments

During the year, important changes were made in transactional products. Since April, it is now possible to add an Intesa Sanpaolo debit card issued on the PagoBANCOMAT® network to Google Pay wallets, to pay using Android or Google Wear OS devices. As part of the Bank's digital transformation, in April the roll-out of the new range of payment cards begun, then available for the entire network since June. Replacing the previous cards, the new XME Debit Card, XME Credit Card and XME Credit Icon were created. All the cards are available to customers instantaneously and in digital format, with the option to also request the physical card, made of recycled PVC. The blind notch, a small, arch shaped notch on the side of the card that allows blind customers to recognise the card, is also on the XME Debit Card. The XME Credit Icon card, available on both the Visa and Mastercard networks, is reserved to customers who want higher credit limits, dedicated services and personalisation of the layout. XME Credit Card Icon Visa cards provide access to the my Visa platform to benefit from discounts and use additional services. To recognise and increase the loyalty of customers that hold the Exclusive Credit Card, in December the Exclusive Club was created, a new loyalty programme through which, by using their cards, customers can rack up points to reach prestigious gifts.
Since the end of October, Intesa Sanpaolo has expanded the range of payment solutions available by launching the payment service via the SkiTap26, the new wearable contactless wristband developed in collaboration with Visa, Snowit and Tapster, created for the Milano Cortina 2026 Olympic and Paralympic Games. The device include two distinct functions, due to two different chips place on opposite sides of the wristband: an NFC chip for contactless payments and an RFID chip to load your ski pass and access the Snowit-enabled lift facilities.
As regards current accounts, in the first half, numerous promotions on the XME Conto were provided. On 23 June this account was replaced by a new range of accounts with incentive plans. There were three solutions to choose from: XME Conto Silver, the most economical, providing essential services for customers that carry out limited transactions and have simple needs; XME Conto Gold, for customers with high levels of transactions and more complex needs, such as using an XME Credit Card for themselves or their family and access to discounts on the main operations; XME Conto Platinum, suited to customers requiring free transactions, who have more complex needs, including high-level needs (such as the XME Credit Icon card). Joint accounts with incentive plans can be applied for also at the branch, via app, and through remote offerings, and always include a free debit card and an administered deposit. The monthly fee for the account can be reduced to zero, for example, by direct deposit of salary or holding protection or Valore Insieme products.
Moving on to the business area, from 2 May to 31 July 2025, the new offering "Prima Prova, poi Scegli" was available for Retail Businesses and Agribusiness Customers (Retail Businesses) that do not yet hold Commercial Cards or POS from Intesa Sanpaolo. Customers could test out the Carta Debit Plus, Carta Credit and SmartPOS Mini with a printer with zero fees for two months. Within this term they could decide whether to continue to use these products or return them with no additional costs. Moreover, in July the Visa Smart Delay service was activated, to allow holders of Visa or Mastercard Credit Commercial cards to access partner airport lounges in the event of flight delays of 60 minutes or more. The promotional offers for POS terminals continued, including the Micropayments initiative, which enables small business owners to obtain refunds of the commissions charged on transactions of amounts up to 10 euro. Additionally, for the second year in a row, SoftPOS, the solution that transforms smartphones into POS, won the prestigious honour of "Product of the Year" in the "POS Financial Services" category.

Multichannel Project

During 2025, the development of multi-channel and digital banking activities continued, in line with the Group's ESG targets, with the introduction of new customer journeys, innovative sales processes that make it possible to interact with customers at any time using digital channels and formalise contracts in a fully digital, dematerialised manner, even remotely, as well as the enhancement of the available customer journeys. With the goal of supporting customers' operating autonomy on the channels, the new Anticipo Transato POS Customer Journey was released. With this journey, customers can forward requests for drawdowns from the Anticipo Transato POS credit line and manage any credit balance by themselves, directly from their Inbiz or My Key Business platform, guaranteeing simplification of the entire operational process. For business customers, thanks to intuitive tools and advanced functionality, since last year, all newly activated business customers now access Confirming through the Inbiz portal. In January 2025 a gradual migration plan to Inbiz was begun for customers that already operated using Confirming on the old portals. Due to the integration of Confirming into Inbiz, companies can manage all their financial assets through one single entry point, benefiting from a simplified digital experience that improves their overall operations. Lastly, to further enhance the ability to exchange documents between customers and the Bank, the possibility to use Scambio documentale was also extended to subscribers of the My Key Business account.
As part of the Group's digital transformation, the "isytech" project, implemented by adopting cloud native technological structure and processes, continued. In addition to simplifying the activities required by the Network, this new system enables the move from a multichannel approach to an omnichannel approach, where the user's experience is the same between the branch

manager and the customer, irrespective of the channel used to purchase the product (App, website or branch). The programme includes a series of gradual releases of products and services, first tested on the pilot branches and then gradually extended to all Regional Governance Centres. As mentioned in the previous paragraphs, in the first quarter, the release of the products SpensieRata and XME Prestito was completed, along with the loan protection policies. During the second quarter, the roll-out of new accounts with incentive plans and new cards was carried out, a process which was extended to the entire network by the end of June. XME Salvadanaio also joined in the Group's digital evolution process and the new version is now available for the entire network. In the second half, the isytech process also involved mortgage loans, combined policies and investments, while at the end of November, the pilot phase of the new app to manage accounts and cards as well as customers' investments in an integrated, simple manner, was launched.

Agreements

The partnership between Intesa Sanpaolo and Confindustria continued: the new four-year agreement for growth of Italian companies makes available 200 billion euro up to 2028 to provide new momentum to the Italian production system and capture the opportunities of instruments such as Transition 5.0 and A.I., thus supplementing the resources already allocated by the Bank for the achievement of the NRRP objectives. The agreement with Confcommercio was also renewed. The joint objective is to facilitate access to credit for its members, also due to a dedicated credit line of 5 billion euro made available by the Bank, and to strengthen subsidised conditions in transactional banking, firstly by refunding fees on micropayments of up to 10 euro for all of 2025. Also in 2025, Intesa Sanpaolo has renewed its commitment to tourism, due to its collaboration launched with the main sector trade associations, including Federalberghi. The new partnership agreement is part of the wider CresciBusiness Programme, which assists Retail Companies and freelance professionals in a process of digital growth and sustainable transition. Federalberghi members are offered solutions that aim to facilitate transactions relating to collections and payments, as well as tools to facilitate their access to credit, due to the new dematerialised and digitised process. Moreover, in September an agreement was signed with Confindustria Alberghi, Federturismo and Federterme to relaunch Italian tourism companies, which makes 10 billion euro available to them, as part of the 200 billion provided by the Four-Year National Agreement with Confindustria. The agreement provides for growth and competitivity initiatives through dedicated financial solutions and services.
To develop and promote new possible initiatives to support the internationalisation of Italian companies, the agreement with ICE-Agenzia was renewed and two new agreements with SIMEST were signed. Also with the same goal, in March, Intesa Sanpaolo renewed its partnership with Innovit, Italian Innovation and Culture Hub in San Francisco, an initiative promoted by the Ministry of Foreign Affairs and ITA, in collaboration with the Italian Embassy in Washington D.C. and the Consulate General of Italy in San Francisco. During the first half, to strengthen the sector of capital goods operational leases, with a view to development that focuses on addressing SMEs' needs, including non-financial ones, a strategic partnership between Intesa Sanpaolo and Grenke was activated. Operational since June, Grenke Italia will make available to SMEs resources of around 2 billion euro over the next 3 years to realise projects of operational leases of capital goods and services. The operation took shape through the Bank's contribution of its entire stake in Rent Foryou to Grenke. With regard to the Intesa Sanpaolo-Federalberghi agreement signed in May, member companies were provided the option to access a dedicated lease offering by Grenke Italia.

Loans

In 2024, Intesa Sanpaolo has launched the programme "Your Future is Our Business", which also continued in 2025, designed to aid the recovery and future growth of Italian SMEs, with a range of services that can assist businesses of all sizes and across different industries. The Bank is committed to offering a credit plafond of 120 billion euro for the period 2024-2026 to accelerate the sustainable and innovative recovery of investments. The priority areas of intervention are: investments to enhance business competitiveness by capitalising on opportunities linked to Transition 5.0 and other initiatives such as the Renewable Energy Communities (RECs) and self-consumption; research and access to new markets for the growth of Italian businesses; promotion of digitalisation and protection against cyber risks; and concentration on particular industries in Italy, with a particular focus agribusiness and tourism. The Transition Plan 5.0 is one of the most important measures in the National Recovery and Resilience Plan, to guide the transformation and competitiveness of the Italian business system. The 2025 Budget Law introduced important changes to facilitate its use by businesses, and Intesa Sanpaolo is the first bank to support companies in availing of this subsidy, working in collaboration with an extensive network of partners. Intesa Sanpaolo confirms it roles as the reference partner for SMEs in key sectors of Italy, to support investments and guide businesses towards sound, sustainable growth. To support businesses in achieving transactions of strategic importance, the new product "Finanziamento MLT con garanzia SACE Growth" was created, which businesses can use to implement their projects planned as part of the agreement signed with SACE. The agreement provides four modules for actions, each with distinct beneficiaries and different purposes, including the pursuit of environmental objectives, and is an update to the SACE Futuro agreement, which took on a new form in April, incorporating the SACE Green agreement. In November, SACE modified the terms of the General Conditions of the SACE Growth Agreement, imposing new clauses with a strong operational impact. Following the subsequent round tables at ABI, SACE ordered the revocation of the SACE Growth agreement, effective from 2 January 2026. Therefore, this can no longer be used by banks. In any event, SACE continues to support Italian companies through public guarantees issued outside the agreement. For businesses that do not benefit from public guarantees, in pursuing investments targeted to ecological transition, digitalisation and internationalisation, the Plus initiative was renewed, which provides a benefit for new loans, also applicable in addition to discounts normally granted by agreements. The European Investment Fund (EIF), which in 2022 granted Intesa Sanpaolo two guarantee credit lines under the InvestEU programme, following the positive feedback on the loans for "Innovation and Digitalisation", granted the Bank an increase in the credit line of an additional 150 million euro in guarantees, bringing the total amount of the guarantee credit line to 250 million euro. This initiative is added to the previous increase in the credit line dedicated to Environmental Sustainability, bringing the available funds for guarantees to a total of 400 million euro.
Intesa Sanpaolo has developed a wide range of ESG products and services, including promoting RES - Renewable Energy Sources already supported by specific Ministerial Decrees that ensure incentives for generating renewable energy. The offering includes: medium/long-term solutions to support investments to reduce energy dependence; short-term support in managing and mitigating the increase in costs of commodities; consulting and advisory services to access tenders and implement complex

projects; Transition Plan 5.0, which specifically provides for investments to incentivise the adoption of clean sources; and dedicated guarantees, including those of the new SACE Project Finance Guarantee, to support renewable energy projects. This offering also includes Renewable Energy Communities, configurations that can contribute to the achievement of energy and ecological transition targets: from the S-Loan CER and S-Loan Progetti Green solutions to the CER Offering for non-profit partnerships and entities, in addition to the consultancy of qualified partners such as Enel X, Regalgrid and Deloitte. Also regarding ESG, in June, CO_2 Mitigation Solutions was made available. This is the new program in which Intesa Sanpaolo, in partnership with Carbonsink, makes available to businesses a tool to measure their CO_2 emissions generated, to define objectives and reduction actions by intervening on business processes, on the one hand, and on the other, gives customer companies access to certified carbon credits for residual emissions, financing projects with a high-quality environmental impact.
Intesa Sanpaolo is also engaged in supporting employment in Italy. To that end, in the second half, the new offering Solution-Loan Lavoro was created to incentivise investment projects capable to creating jobs, represented a discount on the reference price that can be combined with the S-Loan Progetti Green and Crescita Impresa loans. The companies are now required to sign a "Declaration of Commitment" relating to the creation of new jobs. This formal commitment is the prerequisite for obtaining the subsidy on the reference rate of the loan.
Intesa Sanpaolo's commitment also extend to creating businesses throughout the country. To that end, in the second half it signed the agreement promoted by the Ministry of Labour and Social Policies, the Italian Banking Association (ABI) and Invitalia, which made available two new public incentives dedicated to young people under 35 (unemployed, job seekers or working poor) who intend to start a business, work as independent professionals or freelancers: "Resto al Sud 2.0" and "Autoimpiego Centro Nord". With a credit line of 576 million euro, these incentives offer subsidies in the form of vouchers and non-repayable grants valid in all economic sectors, except for agriculture, fishing and aquaculture. To support young business owners, Intesa Sanpaolo provides a restricted account, into which incentive payments will be credited, with free account and management fees, for the entire duration of the initiative, in addition to an ordinary bank loan to cover the portion not covered by the subsidy as a grant.

Sviluppo Filiere

The Sviluppo Filiere programme is designed to support businesses of all sectors and sizes by facilitating access to credit and focusing on the relationship between the lead companies and their network of direct and indirect suppliers and/or their reseller network, enabling a better understanding of the financial needs of the individual sectors. Intesa Sanpaolo is continuing to develop, along with the support of its partner companies, the offering of the programme in response to the growing need for oversight of cyber risks and the introduction of artificial intelligence in companies' production processes.

Agribusiness Department

The Agribusiness Department is the Intesa Sanpaolo Group's national network dedicated to the agri-food sector, which acts as a strategic partner to support the sector, contributing to the growth, innovation and competitiveness of companies that represent one of Italy's most important production sectors. The Department has 247 branches located throughout Italy, with specialist professionals serving around 80 thousand customers. The Agribusiness Department positions itself as the main qualified interlocutor to assist operators in all phases of development, supporting their investments and promoting new business projects, with specific attention to the criteria of sustainability and the circular economy.
In June, Agri-Talk was launched, a cycle of meetings created to promote the Group's integrated offering, which involves institutional players and businesses that are symbols of agro-food made in Italy. At the first event, dedicated to the wine industry, the Bank took the opportunity to announce the new allocation of credit worth 10 billion euro to support the agri-food supply chains, of which 1.5 billion euro for the wine supply chain. At the second event, dedicated to the milk and dairy supply chain, the Bank announced the allocation of a credit line of 1.5 billion euro for this segment. The goal is to assist these businesses in their growth, market diversification, and in building value for the country by consolidating their role as world-recognised excellences.

Impact Department

The Impact Department is dedicated to managing non-profit customers and coordinating the activation and management of social impact funds created to foster the financial inclusion of individuals, households and non-profit organisations. Specifically, the "Fund for Impact", with a value of 300 million euro, makes it possible to disburse new loans of up to 1.5 billion euro, targeted to categories of persons who have difficulty in accessing credit, for the purpose of carrying out their projects, such as, for example: university students, working mothers, families involved in their children's study and growth processes, unemployed people near retirement, caregivers providing assistance to non-self-sufficient family members and young workers who have just finished their Universal Civil Service. In April, a new online platform was made available, that can be accessed from the Intesa Sanpaolo website, to facilitate access to credit and allows the interested parties to automatically apply for activation of Intesa Sanpaolo's social impact products, without having to go to a physical branch. The "Fund for Impact" is accompanied by the "Solidarity and Development Fund", with a value of over 50 million euro, which enables loans to non-profit organisations with important projects, which would otherwise be excluded from ordinary credit.
The Department's commitment to supporting the social economy in the strategic and organisational development of the non-profit sector took the shape of financial support, including subsidies and promotion of the managerial development of workers in the non-profit sector. In September, the second session was launched of the Three-Year Executive Master's Degree in Management dedicated to workers in the non-profit sector, codesigned with the 24ore Business School and Intesa Sanpaolo for Social Impact. The support to and assistance of projects of organisations in the Italian non-profit sector also takes the form of specific initiatives, such as the "Premio Innovazione Sociale" award, launched by Fondazione Cassa Depositi e Prestiti in collaboration with the Intesa Sanpaolo Group, and "Welfare che Impresa", supported in collaboration with Fondazione Italia Accenture, for the purpose of managerial growth, which provide subsidised services and tools for the awardees. The Department

also supports Italian philanthropy, contributing to the development of Osservatorio della Filantropia and CSR, permanent independent initiatives which conduct analyses every year of more than 400 entities, including foundations, philanthropic organisations and companies engaged in corporate social responsibility actions and the related financing opportunities for the non-profit sector, to generate new knowledge and promote innovation through synergies using a multi-stakeholder approach.
The "For Funding" platform strengthened its leadership in Italian crowdfunding also in 2025, enabling, from 2017 to the end of 2025 over 550 projects with high social value in the areas of regenerating the local environment, healthcare, social inclusion, the fight against poverty, environmental protection and many other social and solidarity areas.

Isybank

Isybank, established in June 2023, is the digital bank of Intesa Sanpaolo, based on state-of-the-art technology, which targets both Intesa Sanpaolo customers who do not use the physical branches as they are mainly digital users of banking services and oriented to mobile banking, and to new customers, to whom it offers a comprehensive experience via App and the website, with support from the Digital Branch. During 2025, Isybank further strengthened its offering by expanding its product catalogue, services, and features. Specifically, in January, the Bank made the new "Investments" section available, with which customers can subscribe Eurizon Capital mutual funds: Epsilon Obbligazionario Breve Termine classe isy; Eurizon Obbligazionario Etico classe Isy or Eurizon Soluzione ESG 40 classe isy, and from 13 May, also the funds Eurizon Azioni Europa and Eurizon Azioni Internazionali, reserved to Isybank. Its operations entail only subscriptions and redemptions and it is under the appropriateness regime, with a customer journey with simplified access. Instead, in transactional products, since the end of October, it is now possible to register Isybank cards using physical media (debit, credit and prepaid cards) on the main payment wearables: Tapster, Swatch and Garmin. Once registered, the cards can be used to make quick, simple and secure contactless payments, just by tapping the wearable device on the POS, without needing to use your smartphone or physical card.
In mid-December the range of loans offered on the Isybank app was also expanded: offering the insurance product ProteggiPrestito from Intesa Sanpaolo Assicurazioni and Intesa Sanpaolo Protezione and the option of jointly holding the loan, which makes it possible to meet customers' needs.
As mentioned above, Isybank has a specific focus on young people, who can take advantage of a promotion, for people under 35, that eliminates the fee of the isyPrime account - the most complete plan - and provides payment of stamp duty by the bank.

Product companies

Prestitalia is the "product company" of the Intesa Sanpaolo Group for salary-backed loans and advances on employee termination indemnities.
A financial company that operates in the consumer credit market, highly specialised in salary-backed loans, it is one of the leading operators in the sector, with an average stock of around 3.1 billion euro.
As at 31 December 2025, with around 57 thousand completed applications, it had disbursed loans totalling 1.2 billion euro, through three main channels: Intesa Sanpaolo branch network supported by "light" agents (tied agents that are natural persons), third-party agencies, and online channel. In November 2025, the new distribution channel through the Poste Italiane was activated, which will become fully operational during 2026.
The range of offerings includes "Cessione del Quinto per Pensionati", "Anticipo TFS" (a product reserved for former public employees who want to access all or part of their severance pay without waiting for the periods set by the Public Administration), and "Cessione del Quinto per dipendenti pubblici e privati" and, since the end of 2025, "Prestito Delega" (personal loan paid through withholdings on salary for employees of private and para-public companies).
In addition, the agents supporting Intesa Sanpaolo branches may propose POS terminals to customers.

IMI Corporate & Investment Banking

(millions of euro)

Income statement	2025	2024	Changes amount	Changes %
Net interest income	3,062	3,075	-13	-0.4
Net fee and commission income	1,318	1,286	32	2.5
Income from insurance business	-	-	-	-
Profits (Losses) on financial assets and liabilities at fair value	444	-402	846	
Other operating income (expenses)	-	-	-	-
Operating income	**4,824**	**3,959**	**865**	**21.8**
Personnel expenses	-600	-584	16	2.7
Administrative expenses	-937	-952	-15	-1.6
Adjustments to property, equipment and intangible assets	-14	-16	-2	-12.5
Operating costs	**-1,551**	**-1,552**	**-1**	**-0.1**
Operating margin	**3,273**	**2,407**	**866**	**36.0**
Net adjustments to loans	-294	-68	226	
Other net provisions and net impairment losses on other assets	-67	-5	62	
Other income (expenses)	123	-	123	-
Income (Loss) from discontinued operations	-	-	-	-
Gross income (loss)	**3,035**	**2,334**	**701**	**30.0**
Taxes on income	-957	-736	221	30.0
Charges (net of tax) for integration and exit incentives	-31	-32	-1	-3.1
Effect of purchase price allocation (net of tax)	-	-	-	-
Levies and other charges concerning the banking and insurance industry (net of tax)	-	-	-	-
Impairment (net of tax) of goodwill and other intangible assets	-	-	-	-
Minority interests	-	-	-	-
Net income (loss)	**2,047**	**1,566**	**481**	**30.7**

(millions of euro)

	31.12.2025	31.12.2024	Changes amount	Changes %
Loans to customers	124,132	126,059	-1,927	-1.5
Direct deposits from banking business (1)	127,337	125,194	2,143	1.7
Risk-weighted assets	112,547	106,967	5,580	5.2
Absorbed capital	10,824	9,748	1,076	11.0

(1) The item includes certificates.

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents and discontinued operations.

The **IMI Corporate & Investment Banking Division** oversees corporate and transaction banking, investment banking, public finance and capital markets activities, in Italy and abroad.

In 2025, the Division recorded operating income of 4,824 million euro (representing around 18% of the Group's consolidated total), up 21.8% compared to the previous year.
In detail, net interest income, amounting to 3,062 million euro, was substantially stable on 2024 (-0.4%). Net fee and commission income, amounting to 1,318 million euro, increased by 2.5%, essentially due to the trend in the structured lending and investment banking segments. The profits (losses) on financial assets and liabilities at fair value, which amounted to profit of 444 million euro, showed a sharp increase compared to the loss of -402 million euro in 2024, attributable to the results of the Global Markets area. Specifically, the segment was positively impacted by the management of financial risks connected with transactions in certificates measured at fair value, also in relation to the decrease in market interest rates.
Operating costs amounted to 1,551 million euro, showing substantial stability (-0.1%): the increase in personnel expenses was offset by the decrease in administrative expenses and depreciation and amortisation. As a result of the above revenue and cost trends, the operating margin came to 3,273 million euro, up 36% compared to the value recorded last year. The performance for gross income was similar, amounting to 3,035 million euro (+30%) despite the recognition of higher net adjustments to loans

and provisions and net impairment losses on other assets, including provisions and write-downs to support the de-risking. Lastly, net income reached 2,047 million euro, above the 1,566 million euro realised in 2024 (+30.7%).

In the fourth quarter of 2025, the IMI Corporate & Investment Banking Division reported a reduction in the operating margin compared to the third quarter, attributable to the increase in operating costs and, to a lesser extent, the decrease in revenues. Gross income and net income also decreased, impacted by higher net adjustments to loans and provisions recorded during the quarter.

The Division's intermediated volumes were substantially stable compared to the end of 2024 (+0.1%). In detail, loans to customers, amounting to 124,132 million euro, decreased (-1.5%, or -1.9 billion euro), due to the declining trend in Global Corporate and in institutional customers, partially offset by the positive performance of Global Markets. In contrast, direct deposits from banking business, amounting to 127,337 million euro, were up (+1.7%, or 2.1 billion euro), mainly due to the growth in operations in certificates, partially offset by the reduction in securities issued by the Luxembourg subsidiary and within Global Markets.

Business	Corporate and transaction banking, investment banking, public finance and capital markets, in Italy and abroad.
Mission	To act as a strategic, global partner in supporting companies and financial institutions in achieving balanced, sustainable growth, including at the international level, through a specialised network of hubs, branches, representation offices and subsidiaries that engage in corporate banking operations. To foster collaboration between the public and private sectors with the aim of supporting the creation of infrastructure and sustainable investments, including by pursuing international growth opportunities in countries of strategic interest to the Group. To provide all customers of the Intesa Sanpaolo Group with specialised skills in the areas of Investment Banking, Structured Finance, Capital Markets and Transaction Banking.
Organisational structure	
Client Coverage & Advisory Coordination Area	This structure develops and handles relations with Italian and international Global Corporate customers, availing, at central level, of the commercial action of the Industry units (Automotive & Industrials; Basic Materials & Healthcare; Energy; Food & Beverage and Distribution; Infrastructure; Real Estate; Retail and Luxury; Telecom, Media and Technology) and at local level of the Italian and international network of the Distribution Platform & GTB Coordination Area. The Department is responsible for commercial relationships with financial institutions on domestic and international markets, with a dedicated service model organised by customer segment (i.e., Banks, Insurance Companies, Asset Managers, Financial Sponsors, Sovereign Funds and Governments). The Department guarantees the oversight and development of origination and advisory activities for customers, including M&A, Debt and ESG issues, also through specifically dedicated units, pursuing the cross-selling of products and services with an Originate to Share approach, maximising the synergies between corporate, institutional investor and product desk relations.
Distribution Platform & Global Transaction Banking Coordination Area	The structure oversees the development of the Italian and international network of the Division, ensuring the correct handling of operating and commercial activities for its major customers, through a specialised network of local structures in Italy and abroad. It guarantees the oversight, for the entire Group, of a wide range of transactional services, such as cash management, trade & export finance and securities services, also through Inbiz, the Corporate Internet Banking platform. It contributes to identifying and distributing loans and marketable assets through a single hub which mobilises and optimises the Division's credit balance sheet, in line with the Originate to Share process.
Global Banking & Markets Coordination Area	The scope of this structure includes capital markets, structured finance and primary markets (equity and debt capital markets) supporting all Group customers, including medium-sized enterprises. Moreover, portfolio management and ownership risk are monitored through direct or indirect access to the markets.
Distribution structure	In Italy, the IMI Corporate & Investment Banking Division has a total of 6 geographical areas dedicated to corporate customers and public customers. At the international level, it operates in 23 countries in support of the cross-border operations of its customers through a specialised network of hubs, branches, representative offices and subsidiaries that engage in corporate banking activity.

Client Coverage & Advisory Coordination Area

In a market environment that is marked by geopolitical uncertainties and trade tensions, with a cautious approach to risk by investors, the structures of the Client Coverage & Advisory Coordination Area continued to assist their customers in complex and strategic financial transactions, confirming its leadership on the market and positive performance in terms of the results achieved in recent years. Specifically, the Customer Relations, Global Corporate and Institutional Clients worked in constant synergy with the Corporate Finance & Advisory structure and product desk, pursuing the goal of favouring and consolidating dialogue with its target customers, making it possible to identify and develop numerous business opportunities.

In 2025, Global Corporate confirmed to perform its role as strategic partner to its Italian and international customers, supporting them by organising and participating in a number of financing and investment banking transactions, thanks to its specialised expertise linked to the Industry model and the cooperation with the other structures of the Division. At domestic level, the Bank participated in syndicated loans in favour of Telecom Italia, Prysmian, Saras, CPL Concordia and the San Donato Group in the roles of MLA and Bookrunner, in syndicated loans in favour of the Arvedi Group, Marcegaglia Group and an important player in Italian large-scale retail, in the role of Global Coordinator, and in the syndicated loan for Angelini Pharma in the role of Bookrunner. The Division participated in several international syndicated loans, including those in favour of Eiffarie, APRR, the Acciona Group, Redexis, ATM Nortegas, Recurrent EnergyPPF, Canal+ and Eutelsat, in the roles of Global Coordinator, Bookrunner and MLA, and for Ternium Mexico also in the role of Underwriter. It also provided financial support in significant extraordinary transactions carried out in the period, such as the loan to Prada Group for the acquisition of Versace by Capri Holdings, in which the Bank acted as Global Coordinator, MLA and Underwriter. The Group also participated in the loan in favour of VMEDO2 for the acquisition of Daisy, in the role of MLA, in the pool loan in favour of Megamark to support acquisitions in the south of Italy and in the syndicated loan in favour of Igneo Infrastructure for the acquisition of City Green Light, in the roles of Global Coordinator and MLA.

In Sustainable Finance, the ESG Advisory desk supported customers in identifying and structuring Green, Social, Sustainability and Sustainability-linked products and instruments. This resulted in securing the role of Sustainability/Green Coordinator and ESG Framework Structurer in numerous transactions involving syndicated loans and bond issuances. Specifically, the Division acted in that role in the syndicated transactions of IGD, Bracco Imaging, FNM, Feralpi, EF Solare Italia, and Alantra Solar and, thanks to its expertise developed in ESG issuances, participated in numerous loans, including those in favour of ENEL, Mundys, Technip Energies, TRIG, RWE and Leonardo. Bilateral ESG loans specifically included those for Amplifon, Ferrovie dello Stato and Terna for the Adriatic Link project. The Bank also acted as Sustainability Coordinator in structuring the first Sustainability-Linked Financing Framework of Nextchem, and pioneered an ESG Cash Management product, supporting Boggi in structuring Sustainability-Linked Cash Pooling, confirming that the efficient management of corporate liquidity can be integrated with ambitious climate-related and environmental targets. Rating Advisory activities focused on supporting customers in liaising with the main rating agencies, in line with issuers' financial and industrial strategies. In that context, the Bank assisted, inter alia, FNM in the continuous monitoring of its rating, activities which contributed to stabilising its outlook, and guided the group's debt refinancing, and Plures in obtaining public ratings, for the first time, from two ratings agencies, contributing to strengthening its credit profile and visibility on the market. In project financing, the Division took part in numerous operations, including: at domestic level, the loan to Tangenziale Esterna, in which the Bank acted as Global Coordinator, and the loan to a portfolio of biomethane plants developed by Retina; and, at international level, the loan to the largest solar park in New York State (USA), developed by Greenbacker Renewable Energy Company, the loan to a solar park in Illinois (USA), developed by Earthrise Energy and the loan to Metlen to refinance its solar portfolio in Australia, and the development of two solar parks in Italy, the loan to Vena Energy to develop renewable projects in the Philippines, and the refinancing of Eteck (the Netherlands), one of the leading operators in supplying sustainable heating and cooling solutions for buildings. In capturing and storing CO_2 (CCS), the Bank participated in two international syndicated loans: the loan to Stockholm Exergi to build one of the largest CCS plants in the world in Sweden, and the loan to Liverpool Bay T&S, the Eni project for transport and storage of CO_2 in the United Kingdom. In addition, refinancing agreements were signed with Adapteo, a provider of modular spaces in the social infrastructure sector in Central and Northern Europe, and with Peel Port and DP World Australia, major port operators in the United Kingdom and Australia, respectively.

In the real estate sector, the Group strengthened its leadership through high-profile operations in Italy and internationally: in Italy, the Department acted as MLA, Bookrunner and Green Loan Coordinator in the loan to Fondo Ippocrate (DeA Capital RE SGR), for the purpose of refinancing debt and aligning assets to ESG criteria, and supported the repurchase of Orio Center, bringing ownership back under Italian control; internationally, the Bank participated in the hybrid subordinated issue of Aldar Properties, and, in the role of Global Coordinator, in the syndicated loan to REIT Klépierre, European leader in retail.

As regards operations in Debt Capital Markets, the Division acted as Global Coordinator and Active Bookrunner in the issuance of Carrefour, Joint Lead Arranger in the issuances of AT&T and Telefonica, Joint Lead Bookrunner in the issuance of Canal+ and in the high-yield issuance of Engineering, and Joint Bookrunner with Deutsche Telekom, TIM, EDF, CEZ, Georgia Power, Florida Power & Light and NextEra Energy Capital Holdings. The Group also acted as Active Bookrunner for the issuances of Swisscom and Cellnex Telecom, the bond issuance in Euro of Stellantis, and the high-yield issuance by Teva Pharmaceutical Industries, and participated in the bond issuance in USD by the CNH Industrial Group and the issuance of ABS by CyrusOne. The Bank managed various placements of Green and Sustainability bonds, including those carried out by Hera, ENEL, Masdar, Engie and Slovenske Elektrarne, the Green Hybrid Bond of Iberdrola and the Green Sukuk of Saudi Electricity Company, and played a leading role in the placement of several EU Green Bonds, structured in compliance with the requirements of the new Regulation (EU) 2023/2631. Among these, it supported A2A in launching the first EU Green Bond, followed by additional Italian issuers, such as Terna and Snam.

In M&A, the Group continues to be one of the leading M&A advisors in the Italian market and provided its services in various transactions, including the sale by F2i and Finavias of their stakes in 2i Rete Gas to Italgas, providing assistance to Poste Italiane in the acquisition of the equity investment in Telecom Italia held by CDP, with the concurrent sale of Poste Italiane's

entire equity investment held in Nexi also to CDP, and the sale of Lizzi, a Milan company specialising in sweet and savoury bakery products, by Sammontana and Investindustrial to the Vandemoortele Group. The Division also assisted MFE in the voluntary public takeover bid on shares not held by ProSiebenSat.1 Media, F2i in consolidating operations in the energy transition sector of Sorgenia and BayWa r.e. in selling a portfolio of renewable energy plants to Encavis.

In an equity market which, especially in the first half, saw substantial closing of IPOs as a reflection of the volatility deriving from the macroeconomic uncertainties and the complex geopolitical framework, Equity Capital Markets operations focused mainly on transactions regarding securities of listed companies. With the aim of maintaining the strong leadership position in the ECM and Equity-Linked market in Italy and continuing the successful process of international expansion, the origination operations focused on capturing the best market opportunities and proposing structured solutions to customers. In this context, the Bank acted, inter alia, as Joint Bookrunner in the placement of Ferrari shares conducted by Exor, one of the most visible transactions in the European panorama, as Advisor and as Coordinating Intermediary of the takeover bid promoted by Confindustria Servizi on the special shares of Il Sole 24 Ore, as Joint Global Coordinator in the placement of Avio shares conducted by Leonardo, as Bookrunner in the capital increase of Eutelsat and as Co-Manager in the IPO of Medline on Nasdaq, the largest IPO carried out on the US market in 2025.

With regard to customers in the banking sector, within the Institutional Clients structure, the Bank successfully carried out numerous transactions for primary market issuances, refinancing, securitisation and optimisation of liquidity profiles. At domestic level, these included, in particular, the role of Sole Lead Manager in the placement of a Tier 2 bond by Banca del Fucino. In addition, we note the role of Joint Bookrunner in the Social issuances of Istituto per il Credito Sportivo Culturale and Mediocredito Centrale, as well as the operations Banco BPM, Banco Desio, Banca Sella, CR Bolzano, ICCREA, Mediobanca and UniCredit. The Bank also acted as Global Coordinator and Facility Agent in the pool loan to Nexi and acted as Joint Bookrunner in the first investment grade bond issued by that company. Senior loans within securitisations of performing assets also continued to be provided. Numerous transactions were also carried out in the international markets, both in the United States and in Europe. Specifically, the Group, covered the role of Joint Bookrunner in several issuances by BBVA, BayernLB, Commerzbank, Erste Group, HSBC and Wells Fargo. In Central/Eastern Europe transactions were carried out with Slovenská Sporiteľňa and UniCredit Bank Czech Republic and Slovakia. Moreover, the Bank confirmed its significant presence in the countries of Southern Europe, contributing to strengthen its nearness to and partnerships build over the years with local banks. Specifically in this area, we note the involvement in the bond issuances of Banco Comercial Portugues, National Bank of Greece, Eurobank and Piraeus Bank. During 2025, operations with banks in emerging markets featured a selective approach, due to the market context, and the assumption of short-term risk, primarily supporting the commercial activities of our Italian and international customers. In this context, we also note the first role obtained in the Middle East for the placement of a bond issue by Bank of Sharjah. The development of operations in Global Markets products continued, particularly in Eastern Europe, the Middle East, and selectively in Latin America. Loans for supply chain financing continue to be of interest to the Bank, and, in this context, the strategy of gradually growing the portfolio has been consolidated, expanding the number of counterparties and financial solutions offered. Also in 2025, operations with non-banking financial institutions continued to achieve positive results. The transactions in the near-banking sector specifically included portfolio financing through the subscription of senior tranches of securitisations originated by various operators, such as the Santander Consumer Bank Group, with underlying auto loans originated in Italy, and IBL Banca, with underlying salary- or pension-backed loans. The Department also acted as Joint Bookrunner in various public securitisations of assets of Agos Ducato, IBL Banca and Compass Banca, and continued to oversee the unsecured bilateral loans market, carried out with the leading operators in the consumer credit sector. It also participated, along with a pool of international banks, in the loan to Euronext as part of an acquisition on the Dutch market, and in the issue of a new convertible bond, as well as being involved as Joint Bookrunner in the issue of a senior covered bond by DoValue.

As regards operations with domestic and international asset managers, inflows showed good volumes, both for equity and credit. There was also a notable increase in interactions and operations with the Family Office and Wealth Management segments.

With regard to the insurance industry, the Bank finalised a structured financing line to support the liquidity management of an important Italian insurance company and held the role of Joint Lead Manager in the issue of a Tier 2 subordinated bond by Assicurazioni Generali. During the second half of 2025, the activities supporting the development of Class III products were consolidated, and the development of derivative and liquidity solutions for customers continued, mainly using an ALM approach.

Operations in the public sector (governments, public entities, local authorities, and institutional investors), with particular regard to public debt management, specifically included the roles of Joint Bookrunner for the Ministry of the Economy and Finance in the placement of institutional BTP and BTP Italia issuances aimed at the retail market and, on behalf of CDP, in the placement of institutional, retail and green bond issuances. The mandates received were also worth noting, as Joint Bookrunning in the bond issuance in Euro of Western European and Middle Eastern issuers, in addition to a Sukuk issuance in USD. The Bank also confirmed its role as a strategic partner, participating in a bilateral loan in euro and a syndicated loan in USD in favour of two Middle Easter governments. Lastly, on the domestic market, it is worth noting the role of Global Coordinator in the increase in the equity investment of Città Metropolitana di Torino in Iren, through a reverse ABB, and the Green loan to the Lombard Region for the purchase of electric trains.

With regard to the operations related to private equity funds, the Group recorded a good number of both domestic and international transactions completed with its customers during the reporting period, in a market environment characterised by an improvement in liquidity, resulting in a reduction in the cost of financing structures, despite the persistent uncertainties regarding global M&A operations. On the Italian market, it is worth noting the roles of M&A Advisor for Nextalia and Diagram and Underwriter, Bookrunner and MLA in support of CDP Equity, Trilantic and BF Agricola in acquiring Diagram, a leading group in precision farming services. We also note the roles of Financial Advisor and Arranger in the SSRCF in support of the acquisition by Renaissance Partners, TPG and Intesa Holding of Sicit, a global leader in the production of biostimulants, which

transforms by-products of the tanning industry into high-value added products for sustainable agriculture. On international markets, where the Group continues to consolidate its presence, we note the roles of Joint Lead Arranger and Joint Bookrunner to support KPS Capital in the acquisition of Ineos Composites, a global leader in manufacturing unsaturated polyester resin, vinylester resin and gelcoats, Arranger and Bookrunner to support KKR in the acquisition of Spectris, a UK company that is a global leader in providing precision instruments and control solutions, and Mandated Lead Arranger and Bookrunner to support Advent International in the acquisition of the Essential Home Division of Reckitt Benckiser.

In fund financing, financing operations to the main Italian and international alternative investment funds were consolidated. Of note at domestic level were the roles of Arranger and Sole Lender in the capital call financing to support the Ambienta Small Cap, Nextalia Flexible Capital and Renaissance Partners IV funds. Extensive operations with sovereign wealth funds and pension funds continued in various areas, including direct support to sovereign funds, assistance in competitive investments, financing and corporate solutions activities for portfolio companies, keeping the focus on the sectors of TMT, Energy, and Infrastructure, prioritising ESG characteristics. To directly support the needs of sovereign funds, the Bank renewed, increased and subscribed various loan/structured financing lines and bonds to increase the investment capacity of the main SWF & PF (PIF, Mubadala, PSP, CPPIB, TWF, ADQ and EIA). As regards investment processes, the Group participated in numerous operations, taking leading roles, including providing support to GIC & Mubadala on numerous LNG initiatives (i.e. Rio Grande), to La Caisse and Omers in their respective renewable energy generation projects (including wind and solar energy and storage), and to GIC in the acquisition of a leading transmission network in Australia. Lastly, it is worth mentioning the support to AXA in acquiring a Spanish Fibre operator, and to Swiss Life in increasing the equity investment in a leading Spanish operator in motorway infrastructures. Numerous transactions were also carried out to support the portfolio companies, such as the pool financings of Olam Agri (Temasek) in the agribusiness sector, of London City Airport (Wren House), of Kellas, a UK leader in the midstream gas sector, of Boldyn Networks (CPPIB), a company operating in digital infrastructure and connectivity solutions, and of Exolum (Omers), a logistics operator in the EU.

Distribution Platform & Global Transaction Banking Coordination Area

In 2025, the Division, through its oversight of the Italian Network, consolidated its role as a strategic financial partner for Italian mid and large companies, supporting them in an evolving global economic context.
With widespread presence throughout Italy (15 Corporate Centres, over 260 dedicated professionals and a portfolio of over 2,300 customer groups) the Italian Network offered integrated financing, investment banking, cash management and trade finance solutions, also leveraging the expanded use of public guarantee instruments and the opportunities deriving from the National Recovery and Resilience Plan (NRRP). The structured dialogue with Confindustria and the system of local associations continued and was further strengthened, with the Division actively participating in local initiatives to promote industrial competitiveness, with a focus on strategic investments, innovation, digitisation, Transition 5.0, advanced technologies and solutions for residential sustainability.
Specific focus was placed on managing financial, ESG and geopolitical risks, and on assisting companies in their internationalisation processes towards non-EU markets, favouring diversification and strengthening competitiveness.
The most important initiatives for dialogue and listening include the second “Obiettivo Italia” roadshow, promoted by the Division, coordinating with the Italian Network. The 8 stages (Vicenza, Firenze, Lonato del Garda, Torino, Milan, Bologna, Naples and Rome) involved over 400 companies, offering opportunities for dialogue on the main macroeconomic and sector trends, risk management strategies and cutting-edge solutions for liquidity management. This process made it possible to obtain in-depth information on the needs of the most dynamic companies, consolidate long-term relationships and support sustainable transformation processes, digitalisation and international expansion.
Internationally, the Division completed the incorporation of Intesa Sanpaolo Bank Ireland into Intesa Sanpaolo Bank Luxembourg and, following this transaction, now operates in 23 countries, through an international network comprised of 16 wholesale branches, 8 representative offices (in addition to the Brussels office at Group level, reporting to European Regulatory & Public Affairs and in charge of managing relations with supranational regulators), 2 Corporate Banks (Intesa Sanpaolo Bank Luxembourg and Intesa Sanpaolo Brasil S.A.), and the brokerage company Intesa Sanpaolo IMI Securities Corporation, headquartered in New York. The network continued to guarantee qualified oversight to support Italian and international customers, in a context marked by continuing geopolitical tensions and regulations that are constantly being updated. The initiatives to enhance the offering of ESG products and solutions and to optimise the operating platform continued, in order to further improve the effectiveness of the service and proximity to customers.
In 2025 the Global Transaction Banking Area continued its process of growth and innovation, building on the results previously achieved. Infrastructural and compliance works were completed, including the implementation of instant credit transfers and progress in the migration to the ISO 20022 standard, with benefits in terms of speed, transparency and quality of information flows. International technological coverage was expanded, specifically on the London branch, including the implementation of Faster Payments.
The Bank continued to support international companies in liquidity management, through advanced cash pooling solutions, such as the Multi Currency Optimizer, confirming its leadership on the Italian market. In the ESG area, Intesa Sanpaolo signed on to the Principles for Sustainable Trade Finance and created a sustainability-linked cash pooling solutions for a leading corporation.
In the framework of strategic initiatives, in November 2025 the partnership with State Street Bank was expanded through the disposal of an IT branch and the outsourced provision of back-office activities supporting custody services. The Division also continued to invest in digital assets and participate in institutional projects regarding the Digital Euro, strengthening its positioning in digital financial services.
In relation to Syndication & Risk Sharing, during 2025 the capital light toolkit was gradually consolidated. This is understood as the set of tools and drivers for mobilising and optimising the credit balance sheet and marketable assets, with the goal of accelerating the distribution of assets to support the Division’s strategic priorities.
In the second half of 2025, the market of syndicated loans showed a growing trend in all asset classes, with increasing volumes specifically in North America, boosted by the re-emergence of large-scale M&A transactions and the significant growth in several

sectors in particular, such as Digital Infrastructure and LNG Financing. The Division played a guiding role in numerous big ticket significant transactions of an international scale, in all main geographical areas (Europe, North America and Asia), in favour of leading corporate counterparties and financial sponsors operating in diverse sectors. In spite of the more volatile scenario in the first half of the year, caused by the introduction of tariffs by the United States, banking and institutional liquidity remained high and formed a sound and resilient base for successful syndicated transactions, including large transactions.
In the second half, the synthetic transfer of risk grew further, both in terms of volumes and in the number of positions concerned. This activity provided essential support to the development of new origination and strategic refinancing operations, both on corporate names and on project financing, guaranteeing an efficient allocation of capital and accurate management of credit risk. In the scope considered, the risk transfer platform was further strengthened, proving to be an effective tool for protecting all commercial relationships and generating new origination capacity, due to efficient management of the balance sheet, acting as a strategic driver to support the growth of the Division.

Global Banking & Markets Coordination Area

In 2025 the gradual dissipation of concerns regarding the performance of global growth and inflationary and tax effects of various trade policies contributed to creating an environment favourable to customers' investments and operations, transversally influencing the performance of the main asset classes. The expansive monetary policies adopted by the central banks fuelled the climate of investor confidence.
Despite the decrease in interest rates, for the Division, placement of certificates recorded a significant improvement on 2024 due to a wide product mix and the prevalence of protected products. Also on the secondary market, customers showed significant interest. In the bond segment, government and credit customers preferred short- or medium-term positions. A significant contribution in this sector was provided by Market Hub, specifically in BTP retail issuances. Also in cash brokerage, Market Hub recorded highly positive results, both in the ETF segment and in equity cash, while for Listed Derivatives, there was a general downturn in the volumes traded. In the FX sector, with the gradual stabilisation of the EUR/USD exchange rate, customer flows balanced out between purchases and sales.

With regard to the investments of the Division, in the segment of domestic government bonds HTCS, after a first half focused on generating a positive carry, in the second half, operations were concentrated on stabilising the net interest income. Management of the HTC and HTCS books focused on diversification, credit quality, exposure to less cyclical sectors and attention to sustainability issues. In the Emerging Markets segment, after an initial phase of tactical, prudent management, in view of the geopolitical scenario, the expansion of diversified HTC continued, with a focus on credit quality, and a relatively high turnover in the HTCS area. On the equity segment, risk was managed in a tactical manner in the phase of the year marked by higher volatility. Management of the DVA maintained a dynamic approach, using instruments such as iTraxx indices, BTP and a portfolio of banking bonds, which made it possible to more than offset the negative impact caused by the Group's improvement in loans. In addition to guaranteeing the financing of proprietary portfolios and the management of liquidity of the Division, secured financing activities as a counterparty to customers was overseen, which continued to expand and diversify.

In market making operations, on the equity side, in the first half high volumes were recorded with customers on investment products. In the second half, the positive performance of equity markets supported customer demand on the entire equity-linked offering and, specifically, on investment products, with growing volumes on the primary and secondary markets. With regard to the scope of Credits, during the year, investors largely returned to the primary market, driven by a less uncertain macroeconomic scenario and strong inflows of liquidity. Customer activities on government bonds, though less homogeneous than the previous year, grew slightly year-on-year, even though in the second half of the year volumes decreased as a result of the policies of the various central banks. As regards the linear derivatives sector on interest rates in 2025 there was an improvement in profitability, due to a significant increase in inflows of corporate customers and their margins. In 2025 interest rate volatility products showed results in line with those of the previous year. As regards FX operations, the management of risk deriving from customer flows was particularly effective, along with positioning strategies that allowed them to benefit from the drop in volatility. In the commodities sector, the consolidated risk management ability and significant inflows from customers lead to results in line with expectations. In the Private Investments sector, in 2025, investments in Private Equity and Private Debt funds showed recovery in both areas, with a focus on funds specialising more on the low-mid market segment. In Private Equity, performance was supported by the lower cost of funding compared to the previous year, while in Private Debt, several single positions reduced the performance of the portfolio, albeit positive. In the area of Hedge Funds, investing and monitoring of the markets continued, obtaining a positive performance.

In the equity primary market, the Division focused on IPO, private placement and capital increase segments, completing the following transactions in it respective roles: intermediary assigned to coordinate the collection of subscriptions as part of the Public Takeover Bids of Intermonte, Monrif and Il Sole 24 Ore, Joint Global Co-ordinator and Joint Bookrunner in the Avio ABB, Joint Bookrunner in the ITT Inc. ABB and in the placement of the Euronext convertible bond, and financial advisor of the issuer as part of the Geox capital increase.

In the primary bond market, marked by an increase in volumes issued compared to the previous year, both in Europe and in Italy, the Division acted as Joint Bookrunner in numerous bond issuances (of which many ESG-labelled) in the corporate segment (LVMH, General Motors, Ford Motor, ENI, Volkswagen and the High Yield transactions of Carnival, La Doria, Teamsystem and Avolta), Financial Institutions segment (Banco Santander, Banco BPI, BCP, Tatra Banka and BPER) and SSA segment (BTP Più, BTP Italia and BTP Valore, Poste Italiane and Cassa Depositi e Prestiti). It is important to note activities in emerging markets, where the Division oversaw the issuances of Turkiye Wealth Fund, The State of Qatar, Majid Al Futtaim Holding and Public Investment Fund.

In 2025, the Structured Finance activities maintained the Bank's leadership on the Italian market (also for ESG/Circular/Green issuances) and continued successfully in the international market. Corporate loans granted to Italian and international customers were marked by widespread origination, which made it possible to increase the number of structured transactions, with an ever-increasing presence of the Group on foreign markets. Leverage & Acquisition Finance, following a first half of the year penalised by a reduction in Financial Sponsor activity, saw signs of recovery in operations, stronger in the foreign markets. Project Financing activities captured numerous opportunities in the energy transition and transport sectors, with considerable operations in the renewable energy sector, both to support investment plans and for M&A operations. The "originate to share" approach and the geographical diversification resulted in entering into numerous financing transactions to support Italian and international industrial operators and financial investors in various infrastructure and public utility services sectors, in line with the growth strategy of the Division, both in terms of volumes and positioning, with specific attention to ESG/Circular/Green issuances.

Securitisations carried out by the Division confirmed its leadership in Italy, both in supporting customers in managing financial risks and through innovative ESG-linked solutions, and in asset-based financing. Solutions for the Division's customers and the Group were structured, financed and distributed, aimed at streamlining funding and improving asset quality ratios and optimising economic and regulatory capital. For corporate customers, the need to streamline working capital and improve the net financial position, by deconsolidating loans, resulted in a slight recovery in operations. The Division strengthened its international presence, providing both risk management and financial support to European and non-European corporate customers and financial institutions, along with major international investors in their acquisitions of granular portfolios.
The Division also acted as a competence centre and point of reference for the Group for corporate finance transactions of customers of the Banca dei Territori Division and the banks in the International Banks Division. Regarding these activities, of note among the most significant transactions completed in 2025 were the role played in the loan to support the acquisition of Verivox Holding GmbH by Moltiply, in the sale of the majority of capital of Aquardens to Eurazeo and in the Tecno IPO on Euronext Growth Milan.

International Banks

(millions of euro)

Income statement	2025	2024	Changes amount	Changes %
Net interest income	2,439	2,525	-86	-3.4
Net fee and commission income	738	648	90	13.9
Income from insurance business	-	-	-	-
Profits (Losses) on financial assets and liabilities at fair value	149	134	15	11.2
Other operating income (expenses)	-68	-67	1	1.5
Operating income	**3,258**	**3,240**	**18**	**0.6**
Personnel expenses	-735	-707	28	4.0
Administrative expenses	-546	-532	14	2.6
Adjustments to property, equipment and intangible assets	-132	-134	-2	-1.5
Operating costs	**-1,413**	**-1,373**	**40**	**2.9**
Operating margin	**1,845**	**1,867**	**-22**	**-1.2**
Net adjustments to loans	-34	-134	-100	-74.6
Other net provisions and net impairment losses on other assets	-24	-46	-22	-47.8
Other income (expenses)	-	1	-1	
Income (Loss) from discontinued operations	-	-	-	-
Gross income (loss)	**1,787**	**1,688**	**99**	**5.9**
Taxes on income	-444	-420	24	5.7
Charges (net of tax) for integration and exit incentives	-67	-94	-27	-28.7
Effect of purchase price allocation (net of tax)	1	8	-7	-87.5
Levies and other charges concerning the banking and insurance industry (net of tax)	-34	-23	11	47.8
Impairment (net of tax) of goodwill and other intangible assets	-	-	-	-
Minority interests	-3	-13	-10	-76.9
Net income (loss)	**1,240**	**1,146**	**94**	**8.2**

(millions of euro)

	31.12.2025	31.12.2024	Changes amount	Changes %
Loans to customers	48,944	45,255	3,689	8.2
Direct deposits from banking business	64,693	60,922	3,771	6.2
Risk-weighted assets	41,061	38,271	2,790	7.3
Absorbed capital	4,772	4,311	461	10.7

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents and discontinued operations.

The **International Banks Division** is responsible for the Group's activities in foreign markets through commercial banking subsidiaries and associates, mainly active in retail banking.

In 2025, the Division's operating income came to 3,258 million euro, growing compared to the previous year (+0.6%; +2.7% at constant exchange rates). A detailed analysis shows that net interest income came to 2,439 million euro (-3.4%), mainly due to the performance of PBZ – including Intesa Sanpaolo Bank (Slovenia) and Intesa Sanpaolo Banka Bosna i Hercegovina (-71 million euro) –, CIB Bank (-12 million euro), Banca Intesa Beograd, including Intesa Leasing Beograd (-10 million euro), and Intesa Sanpaolo Bank Romania (-10 million euro) partly offset by the increase recorded by VUB Banka (+15 million euro). Net fee and commission income, amounting to 738 million euro, was up (+13.9%), mainly due to VUB Banka (+28 million euro), PBZ, including Intesa Sanpaolo Bank (Slovenia) and Intesa Sanpaolo Banka Bosna i Hercegovina (+28 million euro), Banca Intesa Beograd, including Intesa Leasing Beograd (+16 million euro), and CIB Bank (+13 million euro). Within the other comprehensive income, there was an increase in profits (losses) on financial assets and liabilities at fair value (+15 million euro), essentially attributable to the Egyptian subsidiary, while other operating expenses remained substantially stable. Operating costs, amounting to 1,413 million euro, were up (+2.9%; +4.4% at constant exchange rates), mainly due to personnel and administrative expenses.
As a result of the above revenue and cost trends, the operating margin amounted to 1,845 million euro, down on 2024 (-1.2%, +1.4% at constant exchange rates). Gross income, amounting to 1,787 million euro, showed growth (+5.9%) mainly due to the

lower net adjustments to loans recorded in 2025, and net income came to 1,240 million euro compared to 1,146 million euro in the previous year (+8.2%).

In the quarterly comparison, the fourth quarter 2025 showed declining trend in the operating margin compared to the third, attributable to the increase in operating costs typical of the end of the year, only partially attenuated by the increase in revenues. Gross income and net income were also lower than in the previous quarter, mainly impacted by higher net adjustments to loans.

Intermediated volumes of the Division showed a rise (+7%) at the end of December 2025 compared to the end of 2024, attributable to the increase in both loans to customers (+8.2%) and direct deposits from banking business (+6.2%). The performance of loans was mainly attributable to the development of the subsidiaries operating in Croatia, Serbia, Hungary and Slovakia, while the trend in deposits was mainly related to the increase recorded in Hungary, Croatia and Slovakia.

In 2025, the International Banks Division further strengthened its growth process, consolidating a business model focused on increasing fees and commissions in the main European banks.
Wealth Management, Protection & Advisory continued to grow significantly in the Premium, Magnifica and Private segments, with focus on three strategic lines: strengthening the Advisory model by upgrading the digital platform, leveraging Group best practices; improving the portfolio mix of customers using innovative, diversified solutions; and implementing a commercial plan focused on increasing productivity and ensuring consistent service behaviour within the Network. The evolution of the service model dedicated to customers with high added value and advanced needs is being defined in collaboration with the other Group Divisions, promoting the skills of the Banca dei Territori Division.
The evolution of the product offering to support the service model continued, gradually strengthening initiatives with higher commission value and coordinating the expansion of the presence in various markets. In that area, the development of the range of certificates continued, completing the plan of issuances in Croatia, Slovakia and Hungary, alongside new commercial initiatives in additional countries.
In line with that process, the launch and harmonisation of Bancassurance products continued, including signing a new distribution agreement for the life business in Egypt. At the same time, structured synergies, were launched with Intesa Sanpaolo Assicurazioni to expand the offering of insurance investment products, which led to the launch in Croatia of the marketing and sale of the first unit-linked product developed by the Group's insurance factory.
In the same context of adding value to the offering with high commissions, leveraging the Group's best practices, the launch of the minibond in the banks within the perimeter continued. Alongside this, the development of initiatives in synergy with the IMI Corporate & Investment Banking Division gained further strength, which contributed to the closing of numerous high added value strategic operations in the Global Markets, Structured Finance and Investment Banking sectors, confirming the trend in strong growth, with expected acceleration. The operations, launched in high priority countries are being extended to other markets.
With regard to the development and strengthening of the service model for customers shared with the Banca dei Territori Division, the commercial initiatives to develop cross-border business opportunities of customers operating in countries of the Division continued. Specifically, joint commercial actions continued on customer companies of Banca dei Territori, in all the Regional Governance Centres and Agribusiness, with foreign subsidiaries. The specific initiative for Romania was completed, while numerous dedicated operations were launched in Bosnia and Herzegovina, Albania, Serbia and Croatia.
As part of the ESG Business Positioning initiatives for the Corporate & SME segments in the Division's countries (Slovakia, Hungary, Croatia, Serbia, and Egypt) the S-Loan offering in Croatia was finalised and a cycle of webinars on the Circular Economy was completed, in collaboration with ISPIC, to support the sales network. The "Commercial Pills" initiative, previously completed in Serbia and Croatia, continued, and the Green Dedicated S-Loan was successfully launched in various countries of the Division (Slovakia, Hungary, Serbia and Croatia), also being extended to Slovenia and Bosnia and Herzegovina. A new ESG Survey was also completed on the main banks of the Division, to identify customers' ESG needs.
Within the digital banking initiatives targeted to the Corporate & SME segments, the activation of the "Confirming" product, initially launched through the Italy-Hungary interconnection and gradually extended to the main geographical areas of the Division, including Slovakia, Serbia, Romania, Slovenia, Albania and Bosnia and Herzegovina, was also expanded to the Czech Republic and Croatia.

Business	It is responsible for the Group's operations on the international markets through commercial bank subsidiaries and associates.
Mission	Guidance, coordination and support for international subsidiaries, which engage primarily in retail banking operations. The Division is responsible for setting the Group's strategic development guidelines in terms of its direct presence on international markets, involving systematic exploration and analysis of new growth opportunities on markets already served and new markets, the coordination of international subsidiary banks' operations and the management of the relationships between international subsidiary banks and the Parent Company's central units and the branches or other foreign offices of the IMI Corporate & Investment Banking Division.
Organisational structure	
South-Eastern Europe HUB (SEE HUB)	Presence in Croatia, Bosnia-Herzegovina and Slovenia.
Danube HUB (DNB HUB)	Presence in Slovakia, Romania and the Czech Republic.
Other banks	Presence in Albania, Hungary, Serbia, Egypt, Ukraine and Moldova.
Distribution structure	883 branches in 12 countries.

South-Eastern Europe Hub (SEE HUB)

In 2025, the operating income of the **Privredna Banka Zagreb** group amounted to 660 million euro, down on the previous year (-1.2%), due to the declining trend in net interest income. Operating costs of 252 million euro increased (+5.1%). As a result of the above revenue and cost trends, the operating margin amounted to 409 million euro (-4.7%). Gross income, amounting to 425 million euro, and net income, which amounted to 344 million euro, were up (+1.1% and +1.4%, respectively) on those of 2024, benefiting from reversals of impairment losses on loans recorded during the year.

Intesa Sanpaolo Banka Bosna i Hercegovina closed 2025 with an operating margin of 22 million euro (+5.3%). This evolution is attributable to the increase in operating income (+3.9%), which more than offset the increase in operating costs (+2.9%). Gross income, amounting to 19 million euro, and net income, amounting to 15 million euro, recorded growth compared to 2024 (+5.7% and +10.4%, respectively).

Intesa Sanpaolo Bank (Slovenia) generated operating income of 153 million euro, down on 2024 (-8.2%), due to the declining trend in net interest income. Operating costs increased (+1.2%) on the previous year. As a result of the above revenue and cost trends, the operating margin decreased by 13.3%. Gross income, amounting to 88 million euro, and net income, which amounted to 60 million euro, were also down, by 12.1% and 12.4%, respectively.

Danube HUB (DNB HUB)

The **VUB Banka** Group reported an operating margin of 531 million euro, up on 2024 (+6.7%) as a result of the growth in operating income (+5.5%), which more than offset the increase in operating costs (+3.2%). Gross income, amounting to 457 million euro, decreased slightly on the previous year (-0.8%), influenced by higher net adjustments to loans, while net income increased by 6.5%, amounting to 270 million euro.

On 31 October 2025 the merger by incorporation of First Bank into Intesa Sanpaolo Bank Romania took place, following which the two banks now operate as a single entity, under the brand **Intesa Sanpaolo Bank Romania**. This new bank recorded an operating margin of 28 million euro, down on 2024 (-28.4%), due to the decrease in operating income (-14%). The company closed 2025 with net income of 20 million euro, up by 19.7% on 2024, also benefiting from higher reversals of impairment losses on loans.

Other banks

Intesa Sanpaolo Bank Albania generated an operating margin of 41 million euro, down by 7.9% on 2024, due to lower revenues (-2.2%) and the increase in operating costs (+4.7%). Net income came to 29 million euro, down by 7.5% on the previous year.

The **CIB Bank** group presented an operating margin of 249 million euro, down by 1.9% on 2024, in relation to higher operating costs (+5.5%) which more than offset the growth in operating income (+0.9%). Gross income, amounting to 257 million euro, and net income, which amounted to 191 million euro, increased by 8.8% and 9.1%, respectively, also benefiting from reversals on impairment losses on loans recorded during the year.

Banca Intesa Beograd, including Intesa Leasing Beograd, achieved an operating margin of 350 million euro, substantially stable compared to 2024, due to the increase in operating costs (+6%), almost fully offset by higher operating income (+1.8%). Gross income amounted to 346 million euro (+14.7%), and net income was 270 million euro (+15.5%), also due to lower net adjustments to loans.

Bank of Alexandria, which was adversely affected by the depreciation of the Egyptian pound, reported an operating margin of 319 million euro, up by 4.3% on the previous year (+20% at constant exchange rates). Operating income of 437 million euro was up (+4.2%; +20% at constant exchange rates). Operating costs increased (+4.1%; +19.9% at constant exchange rates). Net income amounted to 188 million euro, up by 22.3% compared to 2024 (+40.8% at constant exchange rates), benefiting from lower net adjustments to loans and net provisions and net impairment losses on other assets.

Pravex. Despite the extremely serious/uncertain situation in Ukraine, Pravex was again consolidated on a line-by-line basis in December 2025. Nonetheless, in light of the obvious logistical and execution difficulties for the administrative structures of the local bank, also with regard to the IT channels, the Group decided to consolidate the results achieved up to September 2025, recording them at the exchange rate of 31 December 2025.

Eximbank recorded an operating margin of 3.5 million euro, up by 54.4% on 2024 due to the development of operating income. Net income, amounting to 2.9 million euro, showed a sharp increase compared to the value of 0.6 million euro in 2024, also supported by reversals of impairment losses on loans.

Private Banking

(millions of euro)

Income statement	2025	2024	Changes amount	Changes %
Net interest income	1,100	1,181	-81	-6.9
Net fee and commission income	2,247	2,094	153	7.3
Income from insurance business	-	-	-	-
Profits (Losses) on financial assets and liabilities at fair value	80	60	20	33.3
Other operating income (expenses)	13	20	-7	-35.0
Operating income	**3,440**	**3,355**	**85**	**2.5**
Personnel expenses	-548	-544	4	0.7
Administrative expenses	-423	-416	7	1.7
Adjustments to property, equipment and intangible assets	-109	-106	3	2.8
Operating costs	**-1,080**	**-1,066**	**14**	**1.3**
Operating margin	**2,360**	**2,289**	**71**	**3.1**
Net adjustments to loans	-17	-23	-6	-26.1
Other net provisions and net impairment losses on other assets	-32	-45	-13	-28.9
Other income (expenses)	-	20	-20	
Income (Loss) from discontinued operations	-	-	-	-
Gross income (loss)	**2,311**	**2,241**	**70**	**3.1**
Taxes on income	-645	-718	-73	-10.2
Charges (net of tax) for integration and exit incentives	-34	-42	-8	-19.0
Effect of purchase price allocation (net of tax)	-19	-20	-1	-5.0
Levies and other charges concerning the banking and insurance industry (net of tax)	-6	-22	-16	-72.7
Impairment (net of tax) of goodwill and other intangible assets	-	-	-	-
Minority interests	18	23	-5	-21.7
Net income (loss)	**1,625**	**1,462**	**163**	**11.1**

(millions of euro)

	31.12.2025	31.12.2024	Changes amount	Changes %
Assets under management (1)	248,764	231,810	16,954	7.3
Risk-weighted assets	16,487	12,388	4,099	33.1
Absorbed capital	1,639	1,193	446	37.4

(1) Starting from December 2025, assets under management also include mutual funds established by third parties, portfolio management of third-party companies and insurance policies issued by companies not belonging to the Group that were previously classified as assets under administration and in custody as not attributable to the Group's product factories. The figures for 31 December 2024 have been restated accordingly.

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents and discontinued operations.

The **Private Banking Division** serves the top customer segment (Private and High Net Worth Individuals), creating value by offering top products and services.
The Division coordinates the operations of Fideuram - Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Banking, SIREF Fiduciaria, Fideuram Asset Management (Ireland), the Swiss banking group Reyl (present in Switzerland, the United Kingdom and the United Arab Emirates) and Intesa Sanpaolo Wealth Management, a Luxembourg private bank with branches also in Belgium and of Alpian S.A., a Swiss digital bank in the start-up phase. Moreover, with the goal of offering a large and dedicated range of products, using digital solutions that will be expanded over time, the Fideuram Direct business line, created in 2023, meets the needs of customers that want to independently handle their investments and online trading.
During 2025, several corporate operations that involved the perimeter of the Private Banking Division and the Asset Management Division took effect, as part of the strategic evolution of the Group's asset management product factories, as illustrated in the introduction to this chapter, to which reference is made.

In 2025, the Division achieved gross income of 2,311 million euro, up by 70 million euro (+3.1%) compared to the previous year. The operating margin also showed an increase (+71 million euro), due to higher operating income (+85 million euro), against an increase in operating costs (+14 million euro). The performance of revenues is essentially attributable to the improvement in net fee and commission income, which amounted to 2,247 million euro (+153 million euro), specifically for the recurring component, mainly relating to the increase in average assets under management, and the up front component, due to the higher

contribution of placement of bonds, certificates, mutual funds and the receipt and transmission of orders. Conversely, there was a decrease in net interest income (-81 million euro), related to the declining trend in market interest rates. Among the other revenue components, profits (losses) on financial assets and liabilities at fair value grew (+20 million euro), specifically supported by the positive performance of foreign exchange transactions, while other net operating income was down (-7 million euro). For operating costs, there was an increase in administrative expenses, mainly IT expenses and services rendered by third parties, and in amortisation for software and rights-of-use on leased assets and personnel expenses. The Division closed 2025 with net income of 1,625 million euro, up by 11.1% compared to the previous year.

The values of assets under management and administration have been presented in accordance with the reporting criteria for indirect customer deposits used in the Intesa Sanpaolo Group's consolidated financial statements, specifically eliminating customer current accounts correlated with investment transactions, bonds and certificates that, despite being part of customers' assets, are already included in direct deposits.

As at 31 December 2025, assets under management and administration, which also include the contribution of the trust mandates for SIREF Fiduciaria, amounted to 369.1 billion euro (+34.2 billion euro from the end of 2024). This trend was due to both the market performance, which had a favourable impact on assets, and positive net inflows. The assets under management component amounted to 248.8 billion euro (+17 billion euro).

Business	Generating new inflows of assets and managing them, using a network of financial advisors and in-house private bankers serving a customer base with high savings potential.
Mission	Taking care of customers' well-being and protecting all of their assets through top notch advisory services. A relationship based on listening, satisfaction and trust between the customer and the private banker is what makes the business model of the Private Banking Division unique.
Organisational structure	
Fideuram-Intesa Sanpaolo Private Banking (Italy)	Dedicated to the production, management and distribution of financial products and services to high profile customers, using a network of 5,786 Fideuram, Sanpaolo Invest and IW Private Investments financial advisors and the provision of digital advisory and advanced trading through Fideuram Direct.
Intesa Sanpaolo Private Banking (Italy)	Bank dedicated to private customers (with over 1 million euro in financial assets), providing financial services which are designed to preserve and increase wealth and provide continuity, using a network of 955 in-house private bankers and 168 freelance bankers with agency contracts.
Reyl & Cie (Switzerland)	Swiss bank dedicated to developing international private customers, which operates through a group of companies specialising in wealth management and private banking. It operates using a total network of 47 private bankers.
Alpian (Switzerland)	A Swiss Wealth Tech with a banking license, that features a digital offering focused on the needs of the upper affluent/low private segment, providing banking services and portfolio management schemes supported by multichannel remote assistance.
Intesa Sanpaolo Wealth Management (Luxembourg)	Luxembourg bank with branches in Belgium, which operates using a total network of 44 private bankers.
Fideuram Asset Management (Ireland)	Company that manages Luxembourg and Italian mutual funds and products designed by the Group's insurance companies.
SIREF Fiduciaria (Italy)	Company specialised in the provision of fiduciary services.
Distribution structure	Network of 237 branches in Italy, 6 branches abroad and 7,000 financial advisors.

Asset Management

(millions of euro)

Income statement	2025	2024	Changes amount	Changes %
Net interest income	42	61	-19	-31.1
Net fee and commission income	966	895	71	7.9
Income from insurance business	-	-	-	-
Profits (Losses) on financial assets and liabilities at fair value	2	1	1	
Other operating income (expenses)	48	48	-	-
Operating income	**1,058**	**1,005**	**53**	**5.3**
Personnel expenses	-121	-119	2	1.7
Administrative expenses	-120	-123	-3	-2.4
Adjustments to property, equipment and intangible assets	-10	-9	1	11.1
Operating costs	**-251**	**-251**	**-**	**-**
Operating margin	**807**	**754**	**53**	**7.0**
Net adjustments to loans	2	-	2	-
Other net provisions and net impairment losses on other assets	1	-2	3	
Other income (expenses)	-	30	-30	
Income (Loss) from discontinued operations	-	-	-	-
Gross income (loss)	**810**	**782**	**28**	**3.6**
Taxes on income	138	-196	334	
Charges (net of tax) for integration and exit incentives	-8	-3	5	
Effect of purchase price allocation (net of tax)	-4	-4	-	-
Levies and other charges concerning the banking and insurance industry (net of tax)	-	-	-	-
Impairment (net of tax) of goodwill and other intangible assets	-	-	-	-
Minority interests	-	-	-	-
Net income (loss)	**936**	**579**	**357**	**61.7**

(millions of euro)

	31.12.2025	31.12.2024	Changes amount	Changes %
Assets under management	352,766	333,070	19,696	5.9
Risk-weighted assets	2,868	2,027	841	41.5
Absorbed capital	313	219	94	42.9

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents and discontinued operations.

The **Asset Management Division** pursues the mission of developing the best asset management solutions aimed at the Group's customers and its presence on the open market segment through the subsidiary Eurizon Capital SGR and its subsidiaries.

Among the significant events during 2025 include, in addition to the corporate actions mentioned in the introduction to this chapter, to which reference is made, it is noted that the merger by incorporation of Epsilon SGR into Eurizon Capital SGR took legal effect on 1 March 2025, and the merger of Eurizon Capital S.A. into Eurizon Capital SGR was finalised on 1 December, keeping its operations in Luxembourg through the newly established local branch of the asset management company. Likewise, the operations carried out in France, Spain and Germany by Eurizon Capital S.A. continued in those countries through the newly established branches of Eurizon Capital SGR.

Operating income in 2025, amounting to 1,058 million euro, grew compared to the previous year (+5.3%) due to the increase in net fee and commission income (+71 million euro), which benefited from higher incentive fees, the growth in up-front fees on mutual funds and in recurring fees. There was a decrease in net interest income (-19 million euro), which was impacted by the declining trend in market interest rates. Within the other revenue components, the Chinese subsidiary Penghua, consolidated at equity, made a positive contribution of 48 million euro to operating income, more or less the same as the amount recorded in 2024. Operating costs remained stable, amounting to 251 million euro. As a result of the above revenue and cost trends, the operating margin came to 807 million euro, up 7% on the previous year.

The Division closed 2025 with net income of 936 million euro (+61.7%), benefiting from the recognition of deferred tax assets and other tax components.

As at 31 December 2025, assets under management of the Asset Management Division came to 352.8 billion euro, up by 19.7 billion euro (+5.9%) compared to the end of 2024. This trend was attributable to the revaluation of assets under management, correlated with the positive trend in the markets and to the positive net inflows (+2.6 billion euro), attributable to mutual funds and institutional mandates from non-captive customers, and incorporates the effects of the changes in scope deriving from the mentioned reorganisation operations for a total amount of around 4 billion euro.

As at 31 December 2025, Eurizon Capital's Italian market share of assets under management was 15.4% (gross of duplications). Excluding the closed-end funds segment, in which the company has a limited presence, the share of assets under management at the end of December rose to 15.7%.

Business	Asset management.
Mission	To provide collective (UCI) and individual asset management products to the Group's internal banking networks and develop its presence on the open market through specific distribution agreements with other networks and institutional investors.
Organisational structure	
Eurizon Capital SGR (Italy)	Specialised, through its head office in Milan, in active asset management on behalf of both retail customers (mutual funds and portfolio management schemes) and institutional customers, to which it offers a wide range of investment products and services. Located in: - Luxembourg, with a branch that provided continuity for the business conducted in that country by Eurizon Capital S.A. up to its merger by incorporation into the asset management company on 1 December 2025. The Luxembourg branch of Eurizon Capital SGR manages, administers and sells Luxembourg UCIs, specialising in particular in passive funds, smart beta, ETFs and monetary funds; - France, Germany and Spain, through branches which, following the merger, took over the marketing of Luxembourg UCIs previously carried out by the French, German and Spanish branches of Eurizon Capital S.A.
Eurizon Capital Real Asset SGR (Italy)	Specialised in alternative investments. It is controlled by Eurizon Capital SGR, which holds 51% of the voting right and 20% of the company's share capital, and an investee of Intesa Sanpaolo Assicurazioni (40% of capital) and the Poste Italiane Group (40% of the capital).
Eurizon Capital Asia Limited (Hong Kong)	A company wholly owned by Eurizon Capital SGR, mainly focused on financial consulting activities and distribution in the Asian market.
Eurizon Asset Management Slovakia (Slovakia)	A Slovak asset management company, 100%-owned by Eurizon Capital SGR, which heads up Eurizon Asset Management Hungary and Eurizon Asset Management Croatia d.o.o. (Eastern European asset management hub). It promotes and manages Slovak mutual funds targeted to the local market.
Eurizon Asset Management Croatia d.o.o. (Croatia)	A Croatian asset management company and wholly owned subsidiary of the Slovak company Eurizon Asset Management Slovakia. It promotes and manages Croatian mutual funds and offers individual portfolio management services to retail and institutional customers.
Eurizon Asset Management Hungary (Hungary)	A Hungarian asset management company and wholly owned subsidiary of the Slovak company Eurizon Asset Management Slovakia. It promotes and manages Hungarian mutual funds and offers individual portfolio management services to institutional customers.
Eurizon SLJ Capital (England)	An English company controlled by Eurizon Capital SGR through a 85% interest, which conducts research and provides investment and financial advisory services.
Penghua Fund Management Company Limited (China)	Chinese fund manager 49%-owned by Eurizon Capital SGR.

Insurance

(millions of euro)

Income statement	2025	2024	Changes amount	Changes %
Net interest income	-	-	-	-
Net fee and commission income	4	4	-	-
Income from insurance business	1,808	1,716	92	5.4
Profits (Losses) on financial assets and liabilities at fair value	-	-	-	-
Other operating income (expenses)	-6	-	6	-
Operating income	**1,806**	**1,720**	**86**	**5.0**
Personnel expenses	-161	-153	8	5.2
Administrative expenses	-190	-191	-1	-0.5
Adjustments to property, equipment and intangible assets	-36	-36	-	-
Operating costs	**-387**	**-380**	**7**	**1.8**
Operating margin	**1,419**	**1,340**	**79**	**5.9**
Net adjustments to loans	-	-	-	-
Other net provisions and net impairment losses on other assets	-42	-1	41	
Other income (expenses)	-	-	-	-
Income (Loss) from discontinued operations	-	-	-	-
Gross income (loss)	**1,377**	**1,339**	**38**	**2.8**
Taxes on income	-425	-108	317	
Charges (net of tax) for integration and exit incentives	-23	-27	-4	-15
Effect of purchase price allocation (net of tax)	14	-8	22	
Levies and other charges concerning the banking and insurance industry (net of tax)	-48	-46	2	4.3
Impairment (net of tax) of goodwill and other intangible assets	-	-	-	-
Minority interests	-	-	-	-
Net income (loss)	**895**	**1,150**	**-255**	**-22.2**

(millions of euro)

	31.12.2025	31.12.2024	Changes amount	Changes %
Direct deposits from insurance business [1]	182,890	177,448	5,442	3.1
Risk-weighted assets	-	-	-	-
Absorbed capital	5,339	4,419	920	20.8

(1) Including the subordinated securities issued by the companies.

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents and discontinued operations.

The **Insurance Division** includes Intesa Sanpaolo Assicurazioni, Fideuram Vita and Intesa Sanpaolo Protezione, with the mission of synergically developing the insurance product mix targeting Group customers. The scope of the Division also includes Intesa Sanpaolo Insurance Agency and InSalute Servizi.

In 2025, the Division reported income from insurance business of 1,808 million euro, an increase (+5.4%, or +92 million euro) compared to 2024, thanks to both the non-life business, which benefited above all from the positive trend in the technical margin, and the life business, specifically the net investment result.
Gross income, amounting to 1,377 million euro, showed an improvement (+2.8%) attributable to higher operating income (+5%) against a moderate increase in operating costs (+1.8%), specifically in personnel expenses.
The cost/income ratio, at 21.4%, remained at very good levels, lower than those recorded in the previous year.
Lastly, net income amounted to 895 million euro (-22.2%), after the allocation of: (i) taxes of 425 million euro, up on the 108 million euro in 2024, which had benefited from the recognition of deferred tax assets of 293 million euro; (ii) charges for integration and exit incentives of 23 million euro; (iii) the positive effects of purchase price allocation of 14 million euro; and (iv) levies and other charges concerning the banking and insurance industry of 48 million euro.

Direct deposits from insurance business, amounting to 182,890 million euro, were up (+3.1%, or +5.4 billion euro) on the end of 2024, attributable to insurance liabilities, which more than offset the declining trend in financial liabilities.

The Division's collected premiums for life policies (including financial products) and pension products, equal to 19.8 billion euro, increased by 9.4%% on 2024, attributable to the positive trend in pension inflows, which more than doubled, especially due to the acquisition of management of the guaranteed lines of two contractual pension funds for over 1 billion euro, and lines of unit-linked products (+46.5%). Instead, inflows on traditional products decreased (-17.9%).

Collected premiums for the protection business totalled 1.6 billion euro, up by 8.5% on 2024. Premiums in the non-motor business (excluding CPI – Credit Protection Insurance) rose by 9%, mainly driven by the Businesses, Health, Accident, Home and Family Lines of Business (LoBs). The motor component (+1%) and credit-related products (+9.7%) also increased.

Business	Life and non-life insurance.
Mission	Develop the offering of insurance products for the Group's customers.
Organisational structure	
Intesa Sanpaolo Assicurazioni	Insurance parent company specialised in offering insurance, pension and personal and asset protection services through the network of Banca dei Territori. Starting on 1 December 2024, Intesa Sanpaolo Vita took on the new name Intesa Sanpaolo Assicurazioni. At the same time, the name of the Dublin branch, established on 1 December 2023, specialising in managing unit-linked policies, was changed to Intesa Sanpaolo Assicurazioni Dublin Branch. The company holds 100% of Intesa Sanpaolo Protezione, born on 1 December 2024 from the merger of Intesa Sanpaolo RBM Salute into Intesa Sanpaolo Assicura, and of Intesa Sanpaolo Insurance Agency and 65% of InSalute Servizi. Lastly, it holds 40% of Eurizon Capital Real Asset SGR, a company operational since 31 December 2019, controlled by Eurizon Capital SGR (Asset Management Division), which holds 51% of the voting rights and 20% of the capital.
Fideuram Vita	Specialised in offering insurance, pension and personal and asset protection products in service of the Private Banking Division.
Intesa Sanpaolo Protezione	A single company for the non-life and health classes, whose identity is gaining brand awareness on the market, capable of enabling business, operational and economic synergies by developing a fully comprehensive non-life offering.
InSalute Servizi	Dedicated to managing healthcare benefits.
Intesa Sanpaolo Insurance Agency	Agency that performs insurance brokerage activities of both life and non-life products.

Corporate Centre

The Corporate Centre is responsible for guidance, coordination and control of the whole Group, as well as for the NPE Department, Treasury and Strategic ALM.

The Structures of the Corporate Centre generated an operating margin of 118 million euro in 2025, compared to 1,456 million euro in the previous year. This performance was especially attributable to the reduction in operating income, mainly due to the performance of net interest income, which was impacted by the declining trend in market interest rates, and profits (losses) on financial assets and liabilities at fair value, which were negatively affected by the performance of foreign exchange transactions. Operating costs increased slightly due to lower charge backs by the Corporate Centre to the business units and higher amortisation of intangible assets correlated with technological investments, largely offset by the decrease in personnel expenses. Gross income amounted to -262 million euro compared to 1,105 million euro in 2024. The net result for 2025 was -237 million euro, compared to a positive figure of 411 million euro in the previous year.

Treasury and Funding activities

In 2025, Intesa Sanpaolo kept its market shares in cash and securities settlement stable, confirming its role as a systemic bank and its status as a T2 Critical Participant within the European payment system. The most important objectives reached in 2025 include: the conclusion of the European Collateral Management System (ECMS) project, the new centralised system for collateral management, in June, which completed the Target Services platform developed over the last decade by the Eurosystem to settle cash and securities at centralised level; the performance - especially in the last four months of the year, of the activities to align with the new Instant Payments Regulation and the continuation of the project for the purpose of adopting securities settlement on T+1 also in Europe in 2027, as well as the initiatives for digitising the euro for retail and wholesale payments.

In Europe, in the first half of the year, the ECB lowered the three key interest rates for the Eurosystem, bringing the deposit rate to 2% in June. The Central Bank stated that it intends to keep using all available tools to guarantee the correct transmission of monetary policy, pursuing the medium-term inflation target of 2%, adopting monetary policies suitable to maintaining the target. The short-term interest rate curve gradually incorporated the cuts made in the first half of 2025, and subsequently, the low probability of an additional reduction in the second half of the year, when the level of interest rates was deemed to be in line with the risks for growth and inflation expectations.

In the United States, following the first nine months of stability in interest rates, in September the Fed decreased official rates by 25 basis points, continuing with a further two cuts of 25 basis points in the two subsequent meetings, bringing rates to 3.50-3.75% at the end of 2025, the lowest in the last three years. The US Federal Reserve deemed that the three cuts made in the last part of the year were enough to support employment and allow inflation to return towards the target of 2%. However, at the end of 2025, the short-term interest rate curve incorporated the expectation of a decrease in interest rates of an additional 60 basis points in 2026.

Intesa Sanpaolo's euro and dollar liquidity position remained very solid throughout the year, with a significant excess of liquidity. Short-term funding on the domestic and international wholesale markets proceeded regularly.

Outstanding short-term securities remained stable in 2025 compared to 2024, consolidating investors' interest.

During 2025, the total amount of the Group's medium/long-term issuances placed on the domestic market, through own networks and direct listing, came to 17,844 million euro, of which 15,914 million euro in certificates placed through its networks, 1,837 million euro through issuances dedicated to the Private Banking Division and, lastly, 93 million euro in securities traded on the MOT and/or EuroTLX markets of Borsa Italiana (direct listing).

The bonds placed through the Private Banking Division broke down as follows: 1,269 million euro of T2 bonds, with fixed rate and a 10-year term; 223 million euro of senior non-preferred fixed-rate bonds with a 5-year term; and 345 million euro of private placement senior preferred bonds with fixed and floating rates and 2- and 10-year terms. Senior non-preferred T2 bonds were reserved to professional customers and qualified counterparties.
Among the securities placed, there was a predominance of financial instruments made up of 43% of index-linked structures, 30% of equity-linked structures and 16% of interest rate- and exchange rate-linked structures, while the plain vanilla issuance component accounted for 11%. A breakdown by average maturity shows that 33% are comprised of instruments with 4-year maturities and 56% with 5- and 7-year maturities, with the remaining 11% consisting of securities with 8 to 12-year maturities.

During the year, institutional unsecured funding transactions were finalised for a total value of 2,545 million euro, of which: 500 million euro issued in February by Intesa Sanpaolo Assicurazioni in T2 subordinated financial instruments with annual coupon of 4.217% and 10-year maturity; 1,000 million euro issued in May by Intesa Sanpaolo in AT1 subordinated financial instruments, fixed rate with annual coupon of 6.375%, payable every six months, perpetual with option for early redemption to be exercised by the issuer starting from the eighth year and redetermination of the coupon if the call is not exercised, adding the margin of 403.80 basis points to the 5-year Mid Swap rate; and 1,045 million euro in bonds and certificates placed on third party networks by the IMI Corporate & Investment Banking Division.

With regard to the covered bond issue programmes, under the programme guaranteed by ISP CB Ipotecario, the 14th series matured in January for an amount of 1 billion euro, the 24th series matured in July for an amount of 1 billion euro and the 18th series matured in December for an amount of 1.25 billion euro.

During the year, five covered bond issuances were carried out: in January the 39th retained series of 1.5 billion euro, floating rate with 6-year maturity, and the 40th retained series of 1.5 billion euro, floating rate with 11-year maturity; in May the 41st retained series of 1.6 billion euro, floating rate with 7-year maturity, and the 42nd retained series of 1.5 billion euro, floating rate with 9-year maturity; lastly, in December, with the 43rd series, a private placement of 500 million euro was issued, floating rate with 6-year maturity.

Under the Covered Bond programme guaranteed by ISP OBG, the 25th retained series matured in February for the remaining amount of 500 million euro. In March the 22nd retained series was subject to early redemption, for the total amount of 1.75 billion euro. In the same month the following were subject to partial redemption: the 33rd retained series for 185 million euro (residual amount of 1.465 billion euro), the 36th retained series for 1.3 billion euro (residual amount of 500 million euro), the 37ths retained series for 250 million euro (residual amount of 1 billion euro) and the 38th retained series for 250 million euro (residual amount of 1.5 billion euro).
In December, the 23rd retained series was subject to early redemption, for the total amount of 1.375 billion euro. In the same month the 41st retained series for 1 billion euro (residual amount of 1 billion euro) and the 42nd retained series for 625 million euro (residual amount of 1.075 billion euro) were subject to partial redemption.
During the year, two issuance of retained covered bonds were carried out: in March, the 48th series for 3 billion euro, with a fixed rate and an 8-year maturity; in December the 49th series for 3 billion euro, with a fixed rate and a 13-year maturity.
Within the covered bond programme guaranteed by UBI Finance, in the 17th series matured in February for an amount of 1 billion euro, in the 28th retained series was redeemed early in July for a remaining amount of 200 million euro, and in September the 31st series matured for an amount of 500 million euro.

In November a new issuance of retained securitisation was carried out[45]. This was the fourth Residential Mortgage Backed Security (RMBS) securitisation of the Group, called Brera Sec (SEC 4). The vehicle company Brera Sec issued two classes of securities for a total of 8.4 billion euro, fully subscribed by Intesa Sanpaolo. The single senior class, amounting to 7.63 billion, listed and with a Moody's Aa2 and a Morningstar DBRS A (High) rating, can be used as collateral for refinancing operations in the Eurosystem.

For the management of collateral, Intesa Sanpaolo also uses the A.Ba.Co. (Collateralised Bank Assets) procedure, which allows bank loans disbursed to non-financial companies to be used to secure loan transactions with the Bank of Italy: at 31 December 2025 the amount outstanding, gross of the haircuts applicable to loans lodged as pledge by the Group, amounted to 11 billion euro.

During the first quarter of the year, the markets were subject to opposing tensions: on one side, the solidity of the US economy, the persistence of several inflationary components and the surprising expansive approach taken by German fiscal policy generated a sound steepening trend in forward structures; on the other, in March, the growing concerns that harsh customs tariffs could be introduced by the US administration brought the level of interest rates into the previous year's trading range. In the second quarter, in a scenario of renewed stability of credit, Italian sovereign debt performed positively. During the third quarter, growing signs of a slowdown in the US labour market drove the Fed to make a first cut to interest rates, encouraging market expectations of new measures in the fourth quarter of 2025 and, looking forward, in the first half of 2026. The trend in US interest rates resulted in lowered yields and a further steepening of the forward structure, while in Europe interest rates remained within a narrow trading range. Despite the absence of contagion, the political instability in France remained the main risk factor for credit spreads.

On conclusion of the long phase of repricing of Core Europe bonds, specifically in France, the ratio of spread to market volatility reached the highest levels of recent years in the first half of 2025. Therefore, the exposure to those issuers was increased, while DV100 risk on the portfolio was expanded to improve diversification and potentially combat the risk of an additional adverse trend in credit spreads. Subsequently, allocation was moderately reduced, to consolidate the economic result while supporting the forward-looking net interest income of the portfolio. In August, marked by an enlargement of spreads, exposure to Italian and Spanish government bonds increased. Given the extremely compressed level of risk premiums, profits were taken on corporate bonds, offset by purchases of covered bonds. In the last part of the year, exposure to European government bonds was newly reduced following a further compression of spreads.

In the repo market, Italian government bond volumes were significantly higher than in 2024, while interest rates were slightly higher than the depo facility rate.
The spread between the rates of the core countries and Italian government bonds remained stable over 2025, the only exception being the expansion recorded at the changeover at the end of the year.

During 2025, Intesa Sanpaolo carried out new operations to collect liquidity, by implementing securities financing transactions with underlyings of retained covered bonds on different maturities, primarily short-term. At the end of the year, the outstanding operations with own issues of bonds as underlyings amounted to around 18 billion euro.

[45] The loan portfolio was sold in September.

Strategic ALM

With regard to the Group's Asset & Liability Management (ALM), operational management of the financial risks of the Group's banking book is carried out by the Group Treasury & Capital Management area under the supervision of the CRO Area. Interest rate risk is monitored and managed by examining the sensitivity of the market value of the various positions in the banking book to parallel shifts in the interest rate curve and the sensitivity of net interest income to the market views; moreover, specific scenario analysis techniques on rate developments are used, as well as behavioural scenarios for specific positions. The strategic choices on interest rate risk are made by the Group Financial Risk Committee, Asset & Liability Committee - ALCO session, within the limits established by the Board of Directors and, regarding tasks not delegated to risk takers: Group Treasury & Capital Management performs an active role in the dynamic management of interest rate risk within the limits assigned and supports the Committee's decision-making activity by formulating analyses and proposals. The structural component of liquidity risk is managed, based on the liquidity policies defined at Group level, as part of the funding plan, which is used to monitor the current and future short and long-term liquidity balances, defining the funding plan on the various channels and instruments (domestic/international, retail/corporate, secured/unsecured, preferred/non-preferred/subordinate). The funding plan optimises the various forms of funding in compliance with the liquidity indicators (LCR, NSFR and the other indicators of the Risk Appetite Framework), the rating targets, the various regulatory capital buckets and the MREL buffers, in line with the loan-deposit targets of the Business Units. The structural component of foreign exchange risk is managed, based on the related policies established at Group level, by monitoring the Group's overall position, also with a view to optimising the capital ratios.

Data, A.I. and Technology Officer Area

In line with the 2022-2025 Business Plan, the Data, A.I. and Technology Area is continuing the process of digitalisation, technological evolution and omni-channel development. Also in 2025, the Area continuously transformed to increase the effectiveness of the digitalisation process through the progressive and comprehensive overhaul of the IT platform, efficiency improvements in the operating model and transitioning to the cloud.
During 2025, the product offering for customers of Isybank was enriched further, through the activation of investment services that join the functionalities released in 2024 (e.g. prepaid card, credit card, protection products, isyPrestito and isySalvadanaio) always meeting the criteria of simplicity, accessibility, inclusivity and security, and keeping the option of a direct relationship via the Digital Branch.
The technological upgrading of the IT system also continued, gradually extending the isytech platform to the entire Group. Specifically, in 2025 the release was completed of new omnichannel products for Intesa Sanpaolo customers on the isytech platform for personal loans – Credit Protection Insurance, SpensieRata (payment in instalments) – and current accounts – Customer Journey Onboarding, Customer Journey Transformation – while the roll-out to customers of investment and mortgage products is being completed. The activities of alignment and transformation also continued, to gradually extend the isytech platform to the Private Banking Division.
Moreover, also in 2025 initiatives continued for the constant improvement of interactions with customers and of the user experience, with a focus on retail customers - both on completing the release of the above omnichannel products on the isytech platform and extending the voicebot and chatbot to all customers, including potentially interested customers who refer to the Digital Branch.
For business customers:

- the roll out of the NDCE Business platform for legal person of Fideuram – Intesa Sanpaolo Private Banking and Intesa Sanpaolo Private Banking was completed;
- in relation to the process of digitalisation of the "Nuova Concessione" processes, following the extension to the Retail SME segment in 2024 for short-term types, in 2025 operations were enabled for medium/long-term types, adopting innovative digital instruments to assess the customer portfolio, with analyses based on risk, financial sustainability, the complexity of the operation and the specific routing that could be configured based on the results and to execute checks on creditworthiness. Specifically, automated approval, introduced back in 2024 by integrating it with the Affordability – Decision-Making Risk Engines for the Retail SME segment, expanded its scope of application on medium/long-term types, and was also made available on Corporate SMEs for short and medium/long-term types, enabling its gradual activation on the Network. In parallel, the processes of review of credit facilities and validation of ratings were renewed, including dynamic frameworks, alerts and automatic input of data that make risk monitoring more efficient;
- in order to completely dematerialise processes, following the closing in 2024 of the paper-based process for managing signatures on the contractual documents generated by the Short-Term Uses Customer Journey and the POS Customer Journey, for all branches of Banca dei Territori, the evolution continued, to allow customers to autonomously submit applications to use a credit line for Anticipo Transato POS directly from their Internet Banking at any time of day or night;
- Inbiz, Intesa Sanpaolo's Corporate Banking for companies operating in Italy and abroad, was enriched with new functionalities capable of offering ever more personalised and advanced products and services: for example, the new area dedicated to consulting on liquidity accounts, the expansion of the number of currencies that can be used for international credit transfers, the extension of Inbiz Trade to priority international branches and mobile use of the Treasury service also via the Inbiz app.

In the payments area:

- applying the European Regulation on credit transfers, fees on ordinary credit transfers and instant credit transfers were aligned, the option to execute instant credit transfers through all channels already enabled for ordinary transfers (except for ATMs and Cassa Self Assist Ita) and to manage their amount limits was introduced, and the verification of the beneficiary was activated on all SEPA credit transfers in euro (ordinary and instant);
- the Group Payment Hub platform, adopted by the main European branches in order to establish a centralised payment Hub for the Group, was also released on London. New functionalities (e.g. the option to execute outgoing instant credit transfers) were made available for all branches/banks operating on the platform;

– thanks to the SCT Instant technology for payments of peer-to-peer transactions, Italian customers can exchange money with Spanish and Portuguese customers using Bancomat Pay.

In the International Banks Division, the adoption of new digital functionalities and services in Slovakia was completed, with the release of the remote offer, and the migration of the front end was finalised for the international banks in Croatia, Slovenia, Serbia and Hungary, and launched in Family & Friends (F&F) mode in Albania, consolidating the mobile and web platforms. The merger by incorporation of First Bank into Intesa Sanpaolo Bank Romania was also completed, with the technical convergence of the two banks joined by the upgrading of the (secured and unsecured) loan apps, in addition to the digital channels.

Moreover, with the goal of creating, extending and consolidating the Group's unique, comprehensive and reliable data assets, which can be the Golden Source of governance data, to create a data driven organisation and to better know our customers, also through the use of artificial intelligence, the Data, A.I. and Technology Area continued:

- the migration of information assets, according to the plan set out, which will be completed in 2026, to the Group's data platform activated in 2024 on Google Big Query;
- The AIxeleration programme, launched in 2023, to bring the Group's adoption of artificial intelligence to scale in a sustainable, responsible and standardised manner on all of the Divisions, favouring new business opportunities, increasing operating efficiency and further improving risk management. The programme is based on developing an ecosystem whose fundamentals are comprised of a consistent, shared base, the cloud, strengthening of skills, signing agreements with technological (e.g. Microsoft and Google) strategic (e.g. FAIR EU and Horizon TANGO) and academic partners (e.g. CETIF Master Responsible AI Executive Program, SDA Bocconi EMF FinTech Lab, Berkeley USA SkyLab and Bicocca Strategic Innovation for Sustainable and Smart Ecosystems), the Anti Financial Crime Digital Hub and the dissemination of the culture of AI (Artificial Intelligence) within the Group (internal AI Academy and Data & AI Community involving over 9,000 colleagues).
  Since the start of the Plan, 153 use cases were industrialised, thanks to around 300 dedicated AI Specialists, and the AI and Generative AI solutions were adopted in various areas (e.g. support to human resources, digital branch, regulatory analysis, technical support and coding). Lastly, the first Machine Learning Operations (MLOps) platform was released, enabling the development of use cases under the programme, with a specific focus on using Generative AI techniques.
  According to the 2025 Evident AI Index, the Group is now ranked third in the world for publications on Responsible AI topics and implements ethical principles of responsible adoption: rules and tech assets that guarantee the full compliance with the requirements of the AI Act[46] and the clear responsibility of business structures in decisions based on AI, and the implementation of guardrails to guarantee informed, secure use of Generative AI;
- and actions to steer the requests expressed by the Supervisor in the ECB Guide on Risk Data Aggregation and Risk Reporting issued in May 2024, update the current Data Governance Model and related tools in compliance with the Supervisor's expectations, and extend/apply the Data Governance Model to in scope Uses provided by the Guide: the priority scope was identified last year, actions were completed to improve the framework of governance and the data management process, and the preparation of the Remediation Plans of the Group and the Material Legal Entities was finalised.

To provide effective support for the IT transformation process, two programmes were completed: (i) New Group Technology, the adoption of the new IT operating model, in line with the best practices of the IT structures of digital companies on the market, structured to accelerate the development and deployment of technological solutions, with roles dedicating to developing IT professions; (ii) Falcon, which aims to re-insource IT skills, with total hiring of 2,430 people since the start of the Plan and the completion of the training process to support the growth of internal skills. In a scenario marked by a rapidly accelerating technological transformation, limited resources and a continuously expanding regulatory framework, the New Era programme was also launched, focusing on the search for innovative technological solutions that can combine speed and simplicity for IT structures dedicated to software development, security and economic sustainability, to better support business operations with suitable infrastructure and high service levels.

As part of the agreement signed with TIM and Google for the migration of a significant part of Intesa Sanpaolo's information system onto Google's cloud services, which meet the higher international standards of security and confidentiality of information, 855 applications have been migrated to the Google Cloud Platform, as per the Plan, and 237 new applications have been created directly on the cloud (64% of applications are already cloud-based).

Opening Future, operating since 2021, and developed through a partnership between Intesa Sanpaolo, Google Cloud and TIM Enterprise (the cloud company of the TIM Group), with the goal of favouring digital skills of young people and businesses, offered additional training initiatives and theme-based events, designed for teachers and students of middle schools, high schools and universities, as well as for professionals in SMEs and startups: around 5,000 SMEs, startups and fintech firms and over 23,000 young people and teachers were involved, and over 3,000 hours of training was provided.

In relation to the measures envisaged by the developments in the regulatory framework, as part of the multi-year initiative aimed at improving the structure of anti-money laundering safeguards, reducing the Bank's exposure to risks and aligning the Group's Anti Financial Crime model to international best practices, the Group's new Anti-Financial Crime target model was extended to the international banks of the International Banks Division. The application of new processes and instruments also continued, according to a gradual approach, to support due diligence activities in cases of sales of additional types of products and types of customers.

The multi-year process of further evolving and strengthening the Financial Sanctions management mechanisms also continued, through (i) the creation of a Sanctions Hub to centralise in the Parent Company the analysis of alerts relating to Name Screening and Payment Filtering checks for the 11 international branches of IMI C&IB and the 9 international banks of IBD, (ii) the implementation of new target tools (NetReveal) for Name Screening checks on the Parent Company and for Payment Filtering checks on the Madrid branch (pilot branch). In the same area of anti-money laundering, innovative solutions based on artificial intelligence were released, to increase the efficiency and effectiveness of Know Your Customer (KYC) activities.

[46] Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence.

Lastly, with regard to the requirements of the European Digital Operational Resilience Act (DORA)[47], which was fully implemented in January 2025, the Group ensured compliance with the Regulation by the implementation date. During 2025, it continued to adopt the technological and process controls needed not only to accurately meet regulatory requirements, such as submitting the Register of Information (ROI) to the European Central Bank, but also to ensure the constant strengthening of the Bank's digital resilience, specifically in the areas of ICT Risk Management and ICT Third-Party Management. Moreover, in March 2025, the Board of Directors of Intesa Sanpaolo approved the first Digital Operational Resilience Strategy (i.e. DOR Strategy) and the Multi-Vendor Strategy contained therein, as part of the wider review of the ICT and Security risk management framework.
During 2025 periodic meetings were also held with the Board Committees of Intesa Sanpaolo and with the competent Supervisory Authorities, to provide updates on the progress of the activities and the situation regarding regulatory compliance.

Transformation and Innovation

As part of the 2022-2025 Business Plan, the Group has decided to accelerate the transformation process necessary to capture future opportunities and, to that end, it has changed some key elements of its organisation, creating the Chief Governance, Operating & Transformation Officer Area (C-GOTO) in 2024. Among its various objectives, this Area aims to develop the Group's Transformation Plan to support the Business Plan and the Bank's transversal transformation projects.
This scenario gave rise to the first Transformation Plan 2025, consisting of over 20 projects featuring significant transversality, strategic importance for the Group's transformation and significantly innovative content, with the aim of accelerating the projects of the 2022-2025 Business Plan, representing the cornerstone of the new 2026-2029 Business Plan.

Several enabling factors were crucial to the effective implementation of the Transformation Plan, including the active involvement of all the Bank's key stakeholders and the establishment of a comprehensive monitoring system. The Transformation Plan was also used to guide the strategic priorities of the Group, also guaranteeing synergies between Governance Areas and Divisions.
In 2025, the E2E Process Transformation initiative was activated, which is part of the wider context of the Transformation Plan. The initiative aims to transform processes with an end-to-end approach, i.e. considering processes as a whole, taking a transversal overall approach across the various Group Structures and focusing on the end user, leveraging the opportunities offered by technology. This initiative continues the transformation process activated through the Digital Process Transformation Programme, whose model is being brought to scale and industrialised, leveraging the several significant deliverables from the projects in scope and the achieved benefits in terms of efficiency.
This scenario also includes the development of AIxeleration, the strategic programme dedicated to adopting Artificial Intelligence, which involves all Business Divisions and Governance Areas with the aim of assisting in technological evolution and generating value for the Group. During 2025, the AIxeleration Programme was significantly refocused on projects with a transformative impact on the Bank's priority processes. This was made possible by centralising the management of the Group's budget within the C-GOTO Area and restructuring the project portfolio based on validating business cases, with a particular focus on efficiency initiatives.
With regard to the Digital Asset market – which now includes various types of assets in addition to cryptocurrencies (e.g. stablecoins, security tokens) – and the adoption of underlying blockchain technology, actions were continued to ensure secure access for customers and compliance with current regulations, as well as a successful strategic positioning for the Group in the future. With this in mind, during 2025, Intesa Sanpaolo continued developing the infrastructure enabling access to these new markets and experimenting with blockchain technology with the aim of testing its potential in terms of increasing efficiency and fluidity of processes in the financial ecosystem, while creating new business opportunities.
In the area of Digital Accessibility[48], the project focused on setting up a framework of accessibility by design. Within that framework, operational manuals were produced, both for conducting accessibility tests and preparing accessible documentation (PDF, PowerPoint, Word, etc.), and several workshops were held to transfer know-how and specific professional skills to certain business units within the Group. In addition, in the area of digital documentation (PDF, PowerPoint, Word, etc.) dedicated to customers, the project outlined a strategy for remediation (solutions to correct existing documents) and creation of documents accessible by design. Remediation activities also continued, and in some cases were completed, on certain priority websites and apps within the Group's Italian perimeter dedicated to customers.

[47] Regulation (EU) 2022/2554 of 14 December 2022, conceived to strengthen the digital operational resilience of all operators in the European financial sector, whose main goal is to guarantee that financial entities can adapt to and withstand unexpected events, maintaining an acceptable service level for the digital services needed by essential or important business functions.

[48] Digital Accessibility ensures that websites, mobile apps and their digital content can be used by all people, regardless of their abilities, ensuring equal access to information and services and reducing digital barriers.

Cybersecurity, Antifraud & Business Continuity Management

Intesa Sanpaolo confirms the strategic importance of cybersecurity as an essential element to protect company and customer information, as well as to consolidate the overall resilience of the national economic system. As a result, in 2025, the initiatives set out in the 2022-2025 Business Plan were consolidated and finalised, with the main objectives of increasing the capacity to prevent and respond to cyber attacks and ensuring business continuity and digital resilience, thereby strengthening the confidence of customers and authorities in the Bank and the Group. The plan is based on a cybersecurity model that aims to strengthen defences against cyber threats and fraud, proactively manage vulnerabilities, improve business continuity and promote a culture of digital security.

In a context of rapid technological change and increasing digitalisation, Intesa Sanpaolo implements advanced technologies to protect the digital services provided to internal and external customers, combining them with innovative solutions that comply with best practices in the banking sector. These technologies are an integral part of a structured programme that includes initiatives in the areas of cybersecurity, anti-fraud and business continuity, such as:

– enhancing the resilience of the technological infrastructure, with transversal protection measures such as systems to mitigate distributed attacks and web vulnerabilities. This guarantees the stability and reliability of digital services, also against volumetric or sophisticated attacks;
– continuously improving anti-fraud systems that use Artificial Intelligence to identify anomalous transactions in real time, thereby reducing the impact of emerging fraud;
– adopting advanced multi-factor authentication solutions, including biometric technologies (such as facial recognition) and using non-transferable security codes, which enable the reliable verification of users' real identities, reducing the risk of identity theft and unauthorised access;
– strengthening controls to prevent insider threats using behavioural analysis systems and data loss prevention solutions that can detect anomalous activity, quickly identifying unauthorised access or operations;
– continuously monitoring the evolution of threats and, therefore, of new techniques adopted by malicious actors, using strategic and predictive intelligence activities in order to proactively adapt defence strategies;
– managing security levels of third parties and Group companies to ensure uniform protection of assets at suppliers and Group companies through rigorous risk assessment and control processes, promoting the implementation of adequate cybersecurity measures throughout the supply chain;
– constantly improving the ability to promptly identify attacks and take the necessary countermeasures. The Group has its own Global Security Operations Centre operating 24-7 and, among other solutions, introduced Advanced Network Detection & Response tools to protect its network. Automated incident response procedures have also been strengthened, with immediate recovery plans and periodic business continuity testing.

In addition, the dissemination of a solid cybersecurity culture is a key element for Intesa Sanpaolo in protecting its information and corporate assets. In this view, the Group constantly promotes internal training initiatives for its employees. Through structured professional development programmes, which include courses, practical simulations and tests, the development of the technical and behavioural skills necessary to recognise and manage IT risks is promoted. The training programme also employees to obtain specialist certifications in cybersecurity, anti-fraud and business continuity, thereby strengthening their professional skills. At the same time, the Bank is committed to raising awareness and providing training to external audiences, involving various target groups. Information campaigns and educational events have been organised in schools and communities with the aim of raising awareness of cyber risks and promoting responsible behaviour in the use of digital technologies. These initiatives aim to promote a culture of participation in security, in which everyone – customers, citizens and stakeholders – plays an active role in the IT security chain. The Group, aware of the crucial importance of working together, actively promotes strategic partnerships and participates in important national and international working groups. Those reference bodies include Europol (European Union Agency for Law Enforcement Cooperation), European Cyber Security Organisation (ECSO), CERTFin (CERT Finanziario Italiano), and the European Banking Federation (EBF), with which the Group constantly exchanges knowledge, experience and best practices, favouring collective growth in the field of cybersecurity.

Launching the 2026-2029 Business Plan, the strategy will be specifically focused on innovation and resilience, aiming for increasingly integrated and efficient processes, supported by automated controls. In a scenario of constantly evolving risks and threats, attention will remain focused on fraud prevention and the challenges arising from the increasingly widespread use of new technologies.

GEOGRAPHICAL AREAS

(millions of euro)

	Italy	Europe	Rest of the World	Total
Operating income				
2025	21,054	5,020	1,196	27,270
2024	20,463	5,485	1,159	27,107
% change	2.9	-8.5	3.2	0.6
Loans to customers				
31.12.2025	328,097	73,062	23,874	425,033
31.12.2024	328,491	69,808	23,213	421,512
% change	-0.1	4.7	2.8	0.8
Direct deposits from banking business				
31.12.2025	505,791	86,953	7,455	600,199
31.12.2024	492,322	83,270	8,916	584,508
% change	2.7	4.4	-16.4	2.7

Breakdown by geographical area is carried out with reference to the location of Group entities.

Figures restated, where necessary and material, considering the changes in the scope of consolidation and in business unit constituents and discontinued operations.

With regard to the subdivision by geographical areas of operations, carried out with regard to the location of the entities comprising the Group, activities continued to be concentrated primarily in the Italian market. Italy accounted for 77% of revenues, 77% of loans to customers and 84% of direct deposits from banking business.
With regard to operating performance in 2025, revenues increased in Italy and the Rest of the World, but decreased in Europe. Loans to customers remained substantially stable in Italy but grew in Europe and the Rest of the world, while direct deposits from banking business increased in Italy and Europe and decreased in the Rest of the World.
For details on the Group's presence in Italy and abroad, refer to the graphic representation at the beginning of this document (The Intesa Sanpaolo Group: presence in Italy - international presence).

Consolidated Sustainability Statement

Executive summary

The Intesa Sanpaolo Group has successfully achieved and exceeded the objectives of the 2022–2025 Business Plan, despite the complexity of the macroeconomic environment in recent years. It has demonstrated its ability to generate significant sustainable value for all stakeholders, achieving outstanding results.

In the social sphere, the Group has confirmed its leadership by strengthening initiatives aimed at reducing inequalities, in particular in combating poverty, providing unparalleled support to address social needs, implementing programmes to enhance youth employability, and promoting projects for educational inclusion. Concrete examples are the “Cibo e riparo per le persone in difficoltà (Food and Shelter for disadvantaged people)” and “Giovani e lavoro” programmes.
The Group has also placed a strong focus on financial inclusion, creating opportunities for access to credit through the development of products dedicated to the most vulnerable social groups.
The Group has continued its commitment to the promotion and development of culture through significant initiatives such as “Gallerie d’Italia” and the “Progetto Cultura”, aimed at enhancing its artistic and archival heritage with a view to sharing the country’s artistic and cultural wealth.

With a focus on environmental and climate commitment, the Group has set 2030 decarbonisation targets for both its own emissions and portfolio emissions. Moreover, it has continued to play a central role in the transition towards a more sustainable economy by supporting customers through the provision of sustainable financing, including Green Mortgage loans, and by making available to undertakings a dedicated credit facility for the circular economy. The offer of sustainability-conscious investment products in Asset Management was also strengthened, which also highlights a strong commitment to stewardship activities.

The results achieved under the 2022–2025 Business Plan are founded on the Group’s people, who are its most important resource and the decisive factor for success. The enhancement and development of people have remained central to the Group’s approach, which has invested in them—also through programmes dedicated to talent—as well as in the development of strategic skills for its future evolution, establishing in 2025 the Corporate Academy, focused on transformative training.

Building on the results achieved, Intesa Sanpaolo has defined the strategic guidelines of the new 2026–2029 Business Plan and is committed to continuing with determination the growth path already undertaken, in line with the expectations of all stakeholders, in order to deliver on the commitments set out with ambition and responsibility.

In the 2026–2029 period, the Group intends to maintain a leading global position in terms of social impact, reaffirming its commitment to supporting communities and contributing to the fight against poverty and the reduction of inequalities. At the same time, the Group will continue to support customers in the sustainable transition by allocating 30% of new medium- to long-term loans to sustainable finance initiatives, and it confirms its commitment to decarbonisation and the 2030 targets for financed and own emissions, asset management, and insurance activities. Intesa Sanpaolo will also maintain a strong focus on initiatives aimed at promoting Italy’s cultural heritage and innovation.

The implementation of the new 2026–2029 Plan is also founded on the Group’s people. Significant investments in the Group’s workforce are therefore planned through structured training programmes and skills development initiatives. The objective of reskilling and redeploying employees to perform new high value-added activities for the Bank has been reaffirmed and strengthened, alongside the involvement of young people in dedicated development programmes and the launch of transformative training initiatives.
It is also planned to involve all Group employees in initiatives aimed at communicating the Group’s corporate culture, which—together with a structured ESG Governance strengthened over time—forms the foundation of Intesa Sanpaolo’s identity and sustainability strategy, contributing to the creation of value for customers, shareholders, communities and the Group’s people.

The following pages describe the policies and initiatives that define the Group’s approach to sustainability, as well as the milestones achieved and the commitments undertaken under the new 2026–2029 Plan.

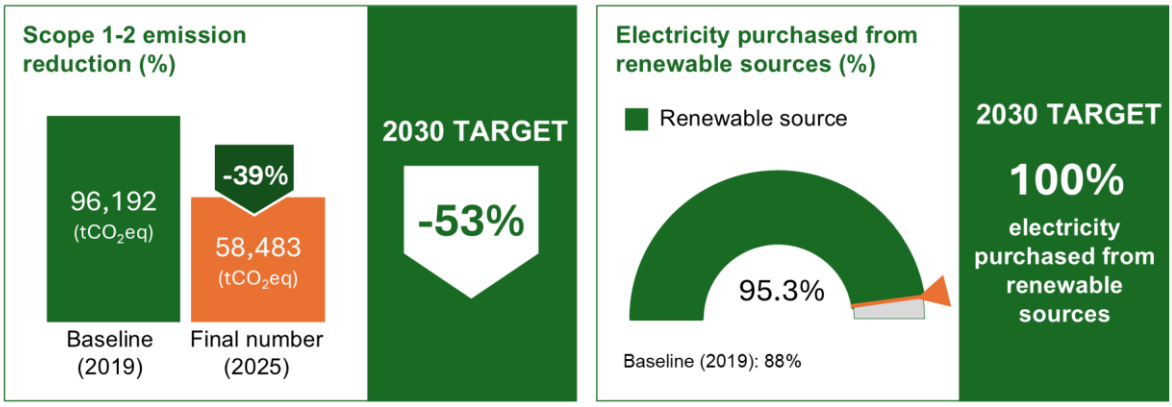
Environmental

Climate change

E1

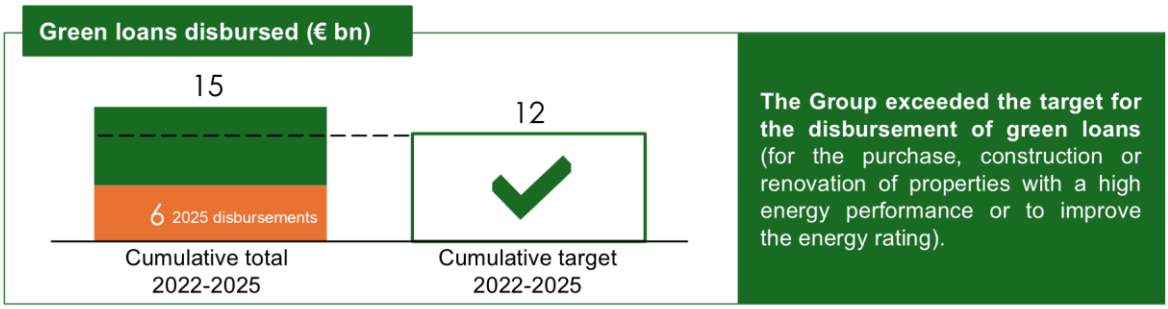
The Group supports the transition towards a sustainable economy by setting **concrete objectives** for the **reduction of its own emissions** and **financed** emissions.

Own operations:
The Group has defined a plan – **Own Emissions Plan** – for the **reduction of its own** Scope 1 and 2 **emissions**.



Financed portfolio:
The Bank is **committed to pursuing the Net-Zero target by 2050,** with **interim 2030 targets** relating **to the highest-emitting sectors.**
The Group's **Sectoral Transition Plan defines levers and strategic actions** for each sector **to achieve the set targets**.

In January 2025, Intesa Sanpaolo received **validation from the Science Based Target Initiative (SBTi)** for its own emissions targets and for the Group's financed emissions targets.



Biodiversity

E4

As of January 2025, the Group has been applying the **Biodiversity and Nature Rules** which describe the Group's approach and in particular:

- ✓ set out **specific limitation and exclusion criteria**
- ✓ refine the **risk assessment procedures**
- ✓ encourage **sustainable finance** to support biodiversity and ecosystem services

Circular economy

E5

The Group has long been strongly **committed in the field of the circular economy**, in particular:

- ✓ **Intesa Sanpaolo Innovation Center** is the Group's specific centre of expertise on the topic
- ✓ ISP is a **Strategic Partner** of the **Ellen MacArthur Foundation**
- ✓ The circular economy **principles** are **integrated into the credit process** (green and circular framework)
- ✓ A dedicated **credit facility** is made available to undertakings

Social

Own Workforce

S1

People are the Group's main resource and the enabling factor for its future success.

Men (45.3%)
Women (54.7%)

90,789 employees

People's ongoing development, growth and satisfaction are one of the main objectives to be pursued through investments, including **in talent**, with a view to developing a **unique ecosystem of competencies** suited to the Group's evolution.

People upskilled / reskilled (No.)	New appointments to senior positions by gender (%)	People enrolled in talent management programmes (No.)
2022-2025 TARGET **8,000** ✓	2022-2025 TARGET **50%** ✓	2022-2025 TARGET **~1,000** ✓
9,327 as at 31.12.25	**51%** as at 31.12.25	**986** as at 31.12.25 [2]
Developing human capital by reskilling people's competencies towards new roles and strategic activities	*New appointments of women to senior positions[1], contributing to achieving 29.4% female representation in senior leadership.*	*"Future Leaders" Programme to develop a new generation of managers and leaders with a broad perspective and international mindset*
	[1]First and second reports to the CEO	[2]A total of 1,054 people were involved in these programmes over the 2022-2025 Plan period

The **Principles on Diversity, Equity and Inclusion** were updated in 2025 to strengthen an inclusive approach towards all forms of diversity.
The **development of female talent** is encouraged through development pathways, job rotation programmes and training activities.

Adjusted gender pay gap at Group level: gender pay gap **for the same role, seniority and professional characteristics.**

1.6%

The **ISPROUD Community has been expanded**, which brings together the Group's LGBTQ+ people, **and "ARTICOLO19 – Disability & Citizenship"**, which develops content and ideas to improve the lives of people with disabilities and their families.

In December 2025, the **regulatory framework for** the Group **second-level contract was defined for the period 2026–2029**, in agreement with the trade unions.

8 Faculty

Creation in 2025 **of the Corporate Academy** with a focus on **transformative training**, considered strategic for the Group's growth**.**

Actions were implemented to improve **work-life balance**, including **new corporate welfare measures** also in support of parenthood and initiatives aimed at **more flexible planning of work activities**.

Workers in the value chain

S2

The Group recognises the **risk associated** with investment, financing and lending services to **customers in sectors** that present **higher social risks** in their operations and/or supply chains. To this end, it has:

- ✓ established **general exclusion criteria** in order to prevent the financing of **activities and/or projects with particularly significant social impacts**
- ✓ developed **Group Guidelines for the Governance of Reputational and ESG Risks**
- ✓ defined an **ESG score to also assess the social profile of corporate customers**, taking into account aspects such as labour management and standards, health and safety at work, policies for the inclusion and enhancement of diversity and human capital development

Affected communities

S3

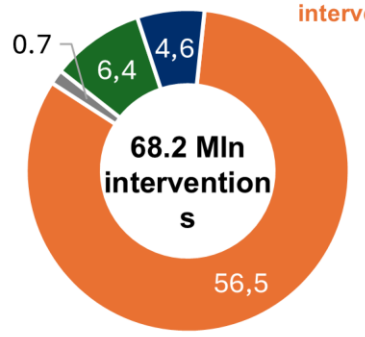
The Group actively **supports the areas and communities in which it operates** through **Social Impact** tools, initiatives and programmes, controlled by the **Chief Social Impact Officer's Governance Area** through **Intesa Sanpaolo for Social Impact.** A **portion of distributable profits** is allocated to a specific "**Charity Allowance**", which is headed by the Bank's Presidency.

The actions taken by the Group include tackling poverty, educational inclusion (including the promotion of financial literacy), **supporting youth employability** and initiatives to promote **social cohesion and inclusion** (for example, social housing for students and families).

"Giovani e Lavoro" programme aimed at **training and access** to the Italian labour **market** and active since 2019.

~5,600	~2,500	80%
students trained and in training	companies involved	placement rate

Food and shelter programme for people in need (No. of interventions)



***Cibo e Riparo per le persone in difficoltà" (Food and Shelter for disadvantaged people) programme: the biggest plan ever to be activated by a private entity in Italy**, which involves the widespread distribution of food, beds, medicines and clothing to people in need throughout national territory.*

TARGET 2022-2025

50 Mln interventions

Gallerie d'Italia

4	18
locations	main exhibitions

"Progetto Cultura": a programme of initiatives for the **protection and enhancement** of the country's and the Group's **historical, artistic and cultural heritage.** It includes **"Gallerie d'Italia", one of the most important private museums** in Europe.

Consumers and End-Users

S4

The Group considers **customer satisfaction** and the promotion of **responsible sales practices** as central, adopting a strategy that combines **service quality, transparency and listening to customers.**

Net Promoter Score (NPS[3]) to measure customers' level of satisfaction and their **likelihood of recommending the Bank's products and services,** through a score ranging from **-100 to +100.**

[3] Banca dei Territori (BdT)

*Over **802** thousand surveys*

Retail		Exclusive		Non-profit sector		Enterprises		Agribusiness	
2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
+38	+48	+34	+47	+33	+34	+24	+30	+24	+24

In 2025, the **privacy disclosure** and the **Guidelines on the protection of personal data** of **natural persons** were updated. As part of an ongoing process to strengthen the **management and prevention of the** increasingly numerous **cybersecurity risks**, further new initiatives were launched.
Effective **controls** are in place **to protect the safety** including the physical safety **of customers**.

A wide **range of sustainable products** is offered to customers:

Sustainable Finance – Loans Granted (Bn)

Environmental Sustainability		Social Sustainability		Other Sustainability	
2024	2025	2024	2025	2024	2025
7.6	13.6	4.5	5.2	7.0	6.0

The **Asset Management** division **exceeded the** 2025 targets on expanding the offering of **sustainability-focused products**.

[4] % of total AuM UCIs

Eurizon

AuM UCIs pursuant to Article 8 and 9 SFDR (€ Bn)	AuM UCIs pursuant to Article 8 and 9 SFDR (%)[4]
169.2	75.4%

Governance

Business conduct

G1

Business conduct in the Group is underpinned by a **sound governance system**, **built on the principles of integrity**, **transparency, inclusion** and **social responsibility**, set out in the **Code of Ethics,** which is the guide in the day-to-day conduct **of the Group's people.**

The commitment to **comply with applicable rules at national and international level** was confirmed by defining internal control measures for **the management of tax matters**, **anti-money laundering and counter-terrorist financing** and for interaction with Authorities and Institutions.

Zero tolerance of corruption, a cardinal principle formalised in the **Anti-corruption Guidelines and** incorporated into the **Organisational, management and control model** pursuant to Legislative Decree 231/2001. **There have been no convictions** and/or penalties for violations of anti-corruption and anti-extortion laws.

Training for the prevention of corruption and money laundering

Hours of specialist training during the year	Participants (No.)	Participants out of total employees
425,194	***87,113***	***96%***

Reporting systems are in place **for potential violations or unlawful conduct**, such as the **Whistleblowing channel** and the **Code of Ethics mailbox**, which ensure confidentiality and protection from any retaliation for whistleblowers.

General disclosures

ESRS 2 – General disclosures

Basis for preparation and methodology

Reporting standards

This Consolidated Sustainability Statement (the "Statement") has been prepared on a consolidated basis by the Intesa Sanpaolo Group (the "Group" or the "ISP Group") pursuant to Legislative Decree no. 125 of 6 September 2024 which implements Directive 2022/2464/EU on corporate Sustainability Reporting in national law, and in accordance with the European Sustainability Reporting Standards (the "ESRS"), referred to in Delegated Regulation (EU) 2023/2772. The Manager responsible for preparing the Company's financial reports, in collaboration with the Managing Director and CEO, certifies, with a specific report, that the Consolidated Sustainability Statement included in the Report on operations has been prepared:

- in accordance with the above-mentioned reporting standards and Legislative Decree no. 125/2024;
- the specifications adopted pursuant to Article 8 of "Regulation (EU) 2020/852" (Taxonomy Regulation).

The 2025 Consolidated Sustainability Statement is subject to a limited assurance engagement by the independent auditors EY S.p.A., which also carry out the statutory audit of the financial statements. In accordance with Consob Regulation no. 11971/1999, as amended by Consob Resolution 23463, the independent auditors express their conclusion as to the compliance with:

- the reporting standards adopted by the European Commission in accordance with Directive (EU) 2013/34/EU (European Sustainability Reporting Standards, hereinafter also "ESRS");
- Article 8 of Regulation (EU) No. 852 of 18 June 2020 (hereinafter also referred to as the "Taxonomy Regulation") of the information contained in the section "Reporting pursuant to the EU Taxonomy (Regulation (EU) 2020/852)" of the Consolidated Sustainability Statement 2025.

Reporting boundary

In accordance with the general requirements of ESRS 1, in 2025, the Group extended the reporting boundary of the Consolidated Sustainability Statement to all wholly-owned subsidiaries in order to bring it into line with the scope of the consolidated financial statements. Consequently, all companies that are fully consolidated for financial statements purposes have been included in the reporting boundary, while subsidiaries that are consolidated using the equity method have undergone a materiality analysis to assess their materiality from an ESG perspective. This analysis identified subsidiaries that were immaterial in terms of sustainability, and these were excluded from the reporting boundary.
For more information on the undertakings included in the scope of consolidation, see the financial statements, Part A – Accounting policies, specifically Section 3 "Scope of consolidation and consolidation methods".

Pursuant to Article 7 of Legislative Decree no. 125/2024, governing the rules of exemption form the preparation of individual sustainability statements, it is noted that the subsidiaries Intesa Sanpaolo Assicurazioni S.p.A. and Vseobecna Uverova Banka A.S. (both issuers of publicly traded securities) are required to prepare sub-Consolidated Individual Sustainability Statements as they do not meet the exemption criteria.

Scope of activities subject to reporting

The Consolidated Sustainability Statement covers the following three macro-areas:

- Own operations, i.e. all operational processes of the Group as an undertaking, independent of its business. They include activities, resources and relationships that are part of the Group's own operations, such as human resources;
- Upstream value chain, i.e. all Group's operating processes relating to the supply chain and the adopted procurement practices. The disclosure about the upstream value chain focuses, in particular, on risk management methods, including the reputational risks related to suppliers without control tools over sustainability matters[49];
- Downstream value chain, i.e. all the Group's business processes and their supporting processes, including business relationships. The disclosure about the downstream value chain focuses, in particular, on impact management methods and the risks associated with undertakings including financing and investment portfolios which may contribute negatively to sustainability matters due to their business sector or country[50].

Reporting on own operations includes policies, actions, goals and metrics related to sustainability matters which are deemed relevant to the outcomes of the Group's double materiality assessment, including organisation-specific disclosures.
In addition to the disclosure requirements of the ESRS for each topic, the ISP Group has identified entity-specific information, i.e. areas that are not comprehensively covered by the ESRS, but that need specific reporting in order to complete the description of the Group's material sustainability impacts, risks. In particular, entity-specific disclosure was identified and prepared in accordance with the principles set out in Appendix A to ESRS 1. It is included in the "Content index" section of this report, in the final part of the Consolidated Sustainability Statement.

With respect to the Value chain, the disclosure provided in this Consolidated Sustainability Statement includes both qualitative information about the Group's policies, actions and targets to manage and monitor material sustainability matters, and

[49] For additional information, reference should be made to the "Materiality assessment" section and the chapters covering specific sustainability matters.
[50] For additional information, reference should be made to the "Materiality assessment" section and the chapters covering specific sustainability matters.

quantitative information about greenhouse gas emissions ("GHG emissions[51]") and portfolio entity-specific metrics (i.e. the downstream value chain).

In 2025, the Group chose to report additional entity-specific metrics relating to ESRS S1, S4 and G1[52].

Furthermore, in accordance with the transitional provisions envisaged by ESRS 1, the Group disclosed information on the policies, actions and targets of its Value chain, using information already available in-house or publicly available information.

No information on intellectual property, know-how or classified as sensitive was omitted.

Time horizons

The Consolidated Sustainability Statement includes forward-looking information for which the Group decided to adopt a time horizon that is in line with that envisaged by other disclosure and/or management requirements[53]. A short-term time horizon is the period adopted by the undertaking as the reporting period in its financial statements (one year), a medium-term time horizon[54] is a five-year time horizon and a long-term time horizon[55] ranges between five and 25 years. The definition of medium-term time horizon is in line with the Business Plan, while that of long-term time horizon matches the commitments arising from the Group's decision to adopt the 2050 Net Zero climate goals.

Use of estimates

Value chain

In preparing the Consolidated Sustainability Statement, the Intesa Sanpaolo Group used estimates and indirect sources to disclose the metrics of ESRS E1 – Climate change relating to:

- Scope 3 indirect greenhouse gas emissions[56] (disclosure requirement E1-6 related to the upstream and downstream Value chain). Scope 3 GHG emissions include the indirect greenhouse gas emissions generated along the undertaking's value chain, arising from indirectly held or controlled activities (e.g., waste disposal by third-party companies);
- the quantification of physical risk on portfolio exposure (disclosure requirement E1-9 on the Downstream value chain)[57].

The Group's ability to obtain the necessary upstream and downstream Value chain information may vary depending on various factors, such as the undertaking's contractual arrangements, the level of control that it exercises on the operations outside the consolidation scope and its buying power. Obtaining Value chain information could also be challenging in the case of counterparties that are not in the scope of the Sustainability Reporting required from time to time.
In accordance with ESRS 1, the ISP Group made every reasonable effort to collect the quantitative information concerning the Value chain. Where it was not possible to gather information about greenhouse gas emissions directly from actors in the Value chain, the Group's estimations were based on the information arising from sector-average data and other proxies.

The data sources and estimation methods used to calculate proxy values reflect the variety of cases and the counterparties involved. Generally speaking, the preparation of the above estimations is based on two main reference frameworks, i.e.:

- the GHG Protocol to calculate Scope 3 emissions on the upstream and downstream Value chain;
- the PCAF[58] to calculate Scope 3 emissions of the only category relating to financed emissions.

The method for estimating Scope 3 emissions from the Italian Banking Association's Sector guidelines were also considered.
Using nationally and internationally recognised calculation standards, as well as sector-specific approaches, limits the risk of data inaccuracy.

Finally, the Group constantly considers the possibility of increasing data accuracy, by directly engaging counterparties (companies in portfolio and suppliers) and via data providers specialised in the collection of third-party environmental data.
For additional information about calculation methodologies, estimations and the percentage share of Scope 3 emissions calculated on the basis of the official figures directly provided by the counterparty, reference should be made to the Metrics on greenhouse gas emissions section in ESRS E1 – Climate change.

The methodology used to quantify the physical risk on portfolio exposures is currently being developed within the Group and at sector level. Specifically, in order to identify the exposures subject to the climate change physical risk, the Group uses an external tool to map and measure the risks for each individual property by:

- mapping physical risks using long-term climate scenarios and subsequently allocating the climatological forecasts to high granularity grids with the calculation of hazard-specific indicators;
- calculating a high granularity synthetic physical risk indicator (SPRI) for each location based on the geo-localisation of offices and production sites for companies in portfolio, and of the building for properties provided as collateral, identifying

[51] Greenhouse gas emissions.

[52] For a complete list of the entity-specific metrics covered by the Group in this Statement, see the detailed table of entity-specific disclosures attached to the Content index.

[53] For information about the specific time horizons covered by the resilience assessment on climate risks, reference should be made to the "Resilience assessment" section of the ESRS E1 – Climate change chapter.

[54] Section 6.4 of ESRS 1 defines the medium-term time horizon from the end of the reporting period up to five years.

[55] Section 6.4 of ESRS 1 defines the long-term time horizon as more than five years.

[56] For additional information about Scope 3 emissions, reference should be made to the Metrics on greenhouse gas emissions section in E1 – Climate change.

[57] The Group applies the transitional provisions that provide for the gradual implementation of the E1-9 disclosure requirement. In this Report, it only covers equivalent information, also presented in Pillar 3 disclosure.

[58] Partnership for Carbon Accounting Financials.

and subsequently allocating the associated risk level. Following the assignment of the SPRI, the decision whether or not an exposure is subject to physical risk weather events is based on two criteria: maturity of the exposure and evolution of the severity of the estimated physical risk indicator.

Own operations

The Intesa Sanpaolo Group used estimations also to calculate other metrics, such as E1-5 (energy consumption), E1-8 (portion of emissions covered by internal carbon pricing) and S1-14 (work-related accidents). For additional information about the calculation methodologies and the estimations made, reference should be made to the Metrics on energy consumption and the Metrics on greenhouse gas emissions section of ESRS E1 – Climate change and to the Metrics related to health and safety section of ESRS S1 – Own workforce.

Finally, no metrics were subject to assurance processes in addition to those carried out by the independent auditors on the Consolidated Sustainability Statement.

Comparative information

For all metrics included in the Consolidated Sustainability Statement for the second year, the Group has provided prior year comparative information.

As disclosed in the "Reporting boundary" section, the changes in the reporting boundary of the 2025 Statement are due to the inclusion of all companies which were fully consolidated for financial statements purposes and to certain corporate transactions completed during 2025. However, it is noted that the companies included in the previous Statement accounted for 99% of Intesa Sanpaolo Group's total assets and full-time equivalent (FTE) employees. Therefore, they provide an adequate basis for comparison with 2025. Consequently, no data have been restated in this Statement.

No comparative data are provided with respect to the new entity-specific indicators introduced by the Group for 2025 as this is the first reporting year in the Consolidated Sustainability Statement.

Incorporation by reference

In 2025, the Group did not avail of the incorporation by reference option.

Statement on due diligence

The Intesa Sanpaolo Group identified due diligence processes that enable the identification and management of the negative impacts arising from own operations or from the upstream and downstream value chain. The due diligence actions carried out by the Group are embedded in the strategy and the current business model. After identifying negative impacts, the Group assesses and takes the actions necessary to manage and contain these impacts, including through its products and business relationships. The following table shows the core elements of due diligence that are reflected in this Statement, indicating for each one the section of the Statement which provides comprehensive information thereon:

Core elements of due diligence	Sections of the Consolidated Sustainability Statement
Embedding due diligence in governance, strategy and business model	General disclosures: Strategy, business model and value chain General disclosures: Materiality assessment General disclosures: Governance structure
Engaging with affected stakeholders in all key steps of the due diligence	General disclosures: Materiality assessment
Identifying and assessing adverse impacts	General disclosures: Materiality assessment
Taking actions to address those adverse impacts	E1 Climate change: Strategy to combat climate change at portfolio level E4 Biodiversity and ecosystems: Policies, targets and actions at portfolio level S2 Workers in the value chain: Manage sustainability matters related to workers of portfolio companies
Tracking the effectiveness of these efforts and communicating	E1 Climate change: Strategy to combat climate change at portfolio level

With respect to ESRS E1 - Climate change, monitoring the identified negative impacts depends on the definition of specific targets at portfolio level. For the other matters whose impacts were identified and assessed in the downstream Value chain, the Group has not yet adopted measurable quantitative targets. However, through the policies and actions adopted, as described in the following chapters of this Report, it has control tools that enable it to manage material impacts.

Strategy, business model and value chain

Strategy[59]

The Intesa Sanpaolo Group's business model combines the generation of sustainable revenues focused on increasing fee and commission and revenues from services, high efficiency and a low risk profile. This configures a distinctive and diversified

[59] The disclosure about strategy set out in this section is reflected in the "Breakdown of consolidated results by business area and geographical area" section of the Report on operations which accompanies the consolidated financial statements.

business model, both with respect to the business areas in which the Group operates and internationally. This model shows the Group as a wealth management and protection company, with a leading role in Italy and Europe.

The integration between product factories, covering portfolio management scheme, life and non-life insurance, and the Group's commercial networks, which ensure high synergies in terms of profitability and greater effectiveness and flexibility in defining the commercial offering, is another mainstay of the business model.

Furthermore, the strategy is based on the awareness that People are the Group's main resource and the enabling factor for its future success. At 31 December 2025, the Group's workforce numbered 90,789 people, of whom 68,894 based in Italy and the remaining 21,895 based abroad, with a significant share in Central/Eastern Europe. People's ongoing enhancement, growth and satisfaction are the fundamental objectives to be pursued by investing in talent, in order to create a single ecosystem of competencies that are appropriate to the evolution of the Group, in which employees are its key actors. The collection of ideas and suggestions from approximately 58,000 employees as part of the definition of the 2022-2025 Business Plan confirmed the importance of people, as well as the identification of the key value pillars of the corporate mission.

2025 was the last year of the 2022-2025 Business Plan which had defined a series of strategic initiatives grouped into four main action areas (the "pillars" of the Plan), which were pursued in accordance with the principles of integrity in corporate conduct and human rights along the entire value chain:

- structural risk reduction strategy - already launched with success in the previous Business Plan - positioning the Group among the best in Europe in terms of NPL ratios and stock (a Zero-NPL bank) and generating a sharp drop in the cost of risk;
- structural cost reduction, driven by technological innovation and various strategic initiatives aimed at improving operational efficiency, including the creation of the Isybank digital bank;
- increase in fee and commission by strengthening the Group's leadership in Wealth Management, Protection and Advisory through highly customised products and services, leveraging proprietary product factories, the international network, highly qualified specialists and dedicated technology tools and platforms;
- significant ESG commitment, with a worldwide leadership position in social impact and a strong focus on climate, reducing own emissions and supporting the energy transition in order to balance environmental and social needs.

With respect to this last point, the Group focused on the following aspects:

- support to address social needs: donations and in-kind contributions, promotion of educational inclusion and youth employability, development of locally supported infrastructure and services, development of social housing for youth in Italy, and care facilities for the elderly;
- financial inclusion: contribution and credit access opportunities through the development of products dedicated to the most vulnerable social categories and contributing to the ability of customers to meet their primary needs;
- commitment to culture: promotion and development of culture (e.g. Gallerie d'Italia and Progetto Cultura activities that manage the Bank's art assets and archive collections) to promote the local area and share Italy's artistic and cultural heritage with institutions and citizens;
- promote innovation: target actions taken within the Group and with the support of companies as part of acceleration and innovation projects and the activities promoted by Intesa Sanpaolo Innovation Center (ISPIC)60;
- accelerate on commitment to Net-Zero: pursue the Group's climate strategy in both own operations and the portfolios held. This strategy translates into the promotion of energy efficiency and the use of renewable energy within the organisation, in addition to the commitment to reducing financed emissions for the main critical sectors;
- supporting customers in ESG/climate transition: disbursement of loans and financing for the sustainable transition to individuals and undertakings, enhancement of the proposition of sustainability-conscious investment products in Asset Management and Insurance and customer assessment based on Intesa Sanpaolo proprietary ESG scoring.

The Group's commitment to sustainability goals is reflected in its offering of products and services and in the goals of reducing emissions in the credit, investment and insurance segments.
Therefore, support to the ecological transition covers all types of customers:

- in the Retail customers and SMEs/Corporates sector, by offering sustainable lending;
- in the Asset Management sector, via sustainability-conscious investments;
- in the development of dedicated ESG advisory services for Fideuram;
- in the insurance sector, by offering ESG schemes for both the life and the non-life business.

With respect to Retail customers, mortgages and loans aimed at financing the redevelopment of the existing real estate assets (green mortgages) played a particularly important role in achieving the goals identified in the Business Plan. Again with respect to the disbursement of green loans, the 2022-2025 Business Plan also focused on circular economy and supports undertakings with the dissemination and funding of this model, including in collaboration with the Ellen MacArthur Foundation.
With respect to Corporate customers, product offering included ESG solutions with a particular focus on environmental aspects, specifically sustainability-linked instruments that encourage customers to improve their sustainability performance, and loans with proceeds tied to environmental and circular economy projects, promoting decarbonisation and reuse of resources.

Supporting financial inclusion through social lending engaged categories of vulnerable undertakings and groups of people who may not have access to credit through traditional financial channels, such as, university students, working mothers, families affected by natural disasters, individuals or small businesses in difficulty and exposed to the risk of usury. To these categories, the Group offered a wide range of financial products and services that are constantly evolving, also thanks to market research

[60] ISPIC is the Intesa Sanpaolo Group company dedicated to frontier innovation. For additional information about ISPIC's operations, reference should be made to the ESRS E4 – Biodiversity and ecosystems and the ESRS E5 – Resource use and circular economy chapters.

and feedback received from customers, adapting the offering to their needs and preferences. The non-profit sector was a particular class of customers which was the target of specific offers, including, inter alia, a programme based on a crowdfunding platform. Services targeting the more disadvantaged customers were also provided by the Group's international subsidiary banks (part of the "International Banks Division" or "IBD"), via specific local initiatives.

With respect to the 2022-2025 Plan, the following standards highlight the important results achieved in the various areas.

Intesa Sanpaolo has defined the strategic priorities of the new 2026-2029 Business Plan based on the results fully achieved under the 2022-2025 Business Plan. It confirmed its leadership in social impact, supporting customers in the sustainable transition and renewing its commitments to decarbonisation. In particular, the Group is committed to:
- maintaining its position among the world's leaders in social impact, with the aim of fighting poverty and reducing inequalities;
- supporting customers on their sustainable transition journey by disbursing sustainable lending equal to 30% of total medium/long-term new lending between 2026 and 2029;
- confirming, in relation to 2050 net-zero, the 2030 targets for financed and own emissions, asset management and insurance business.

In addition, the Group plans to continue investing significantly in its people, its most important asset. This will involve, in particular:
- scaling up capability building, specifically through the new Group Corporate Academy (around 20,000 people involved in transformative training programmes each year);
- reskilling and upskilling towards strategic activities (around 10,000 people reskilled/upskilled);
- engaging around 8,000 young people in dedicated development programmes;
- involving all people in initiatives that communicate the Group's culture;
- further enhancing the Group welfare, with a focus on work-life balance.

The Group is also committed to continuing to promote culture and innovation.

For additional information on the 2022-2025 Business Plan and the new 2026-2029 Business Plan, reference should be made to the Report on operations[61].

Finally, the goals of the Business Plan related to ESG topics and sustainability matters are closely related to some UN Agenda 2030 Sustainable Development Goals (SDGs). Reference should be made to the relevant report for additional information on the ISP Group's contribution to the SDGs.

Business model[62]

The Group's activities contribute to the creation of value for its customers and include the main processes underlying the provision of banking and financial services:
- management of financial resources: this includes managing the financial resources from external sources, such as customer deposits, funds raised on the financial markets and capital management. As a banking group, the Group manages these resources with the aim of maintaining adequate levels of liquidity and capital;
- provision of financial services: this includes all banking transactions such as, for example, opening and managing current accounts, disbursing loans and mortgages, providing financial advisory activities, private banking services, managing the portfolios of retail and institutional customers and business services;
- manage the distribution of services: this includes managing the distribution channels of financial services which include physical branches, online banking and mobile banking services and automated services, such as ATM branches. The Group is strongly committed to promoting digitalisation in order to increase the efficiency of customer services;
- sales and marketing: these include all promotional, advertising and branding activities that attract new customers and maintain existing relationships. The Group heavily invests in the development of customised offering for several customer categories, promoting products which include, inter alia, credit cards, insurance policies, investment funds and financial advisory services;
- after-sale services: these include management of customer relations and continuous support via several channels, such as call centres, online chat and customised support. The Intesa Sanpaolo Group focuses, in particular, on customer care services and on monitoring customer satisfaction.

The Group operates via six business Divisions:
- Banca dei Territori Division is the lynchpin of Italy's commercial operations targeting individuals, small and medium enterprises and non-profit organisations. Furthermore, it offers products such as industrial loans, leases and factoring arrangements, and includes the Group's digital bank (Isybank);
- IMI Corporate & Investment Banking Division is the global partner for enterprises, financial institutions and the public administration in a medium/long-term perspective, at domestic and international level in 23 countries. It offers commercial banking, transaction banking, investment banking, structured finance and capital markets services. Abroad, it offers corporate banking services via a specialised global network;
- the International Banks Division ensures a strategic international presence by offering commercial banking services in several countries in Central/Eastern Europe and North Africa. This Division operates with the South-Eastern Europe HUB comprising Privredna Banka Zagreb in Croatia, Intesa Sanpaolo Banka Bosna i Hercegovina in Bosnia-Herzegovina and Intesa Sanpaolo Bank in Slovenia with the Danube HUB, made up of Všeobecná úverová banka in Slovakia and the Czech

[61] For additional information, reference should be made to the "The 2022-2025 Business Plan and the new 2026-2029 Business Plan" section in the chapter "2025 at a glance".

[62] The disclosure about the business model set out in this section is reflected in the "Breakdown of consolidated results by business area and geographical area" section of the Report on operations which accompanies the consolidated financial statements.

Republic, Intesa Sanpaolo Bank Romania, and with other banks: Intesa Sanpaolo Bank Albania, CIB Bank in Hungary, Banca Intesa Beograd in Serbia, Bank of Alexandria in Egypt, Pravex Bank in Ukraine and Eximbank in Moldova;
- the Divisions of the Wealth Management Divisions:
  - the Private Banking Division offers specific products and services for customers in the Private and High Net Worth Individuals segments; it includes Fideuram - Intesa Sanpaolo Private Banking, which is supported by 7,000 private bankers;
  - the Asset Management division operates through Eurizon, offering asset management solutions to Group customers, non-Group distribution networks and institutional customers;
  - the Insurance Division, headed by Intesa Sanpaolo Assicurazioni (and its subsidiaries) and Fideuram Vita, offers insurance and pension products.

The governance areas contribute to the efficiency and quality of business activities, ensuring that the Group has the resources necessary to operate successfully:
- company management: this includes all policy, management and control, strategic planning, risk management and compliance activities. The Group invests in a sound risk control and management structure in accordance with current regulations and to minimise operational risks;
- human resource management: this includes recruiting, training and developing personnel, focusing on digital skills and the ability to handle an increasingly demanding customer base. For the Group, company welfare, continuing education and initiatives dedicated to the well-being of the Group's people play a particularly important role;
- technological development: this includes innovation and the implementation of new technologies, by investing in digital platforms, artificial intelligence, blockchain and sophisticated data analytics tools. The Group is speeding up its digitalisation process in order to improve operating efficiency and customer experience;
- purchases: this covers purchases of goods and services necessary for the operations of the Group, including technologies, software, third-party consultancy and real estate management. Thanks to this support, the Group has the tools and the resources necessary to operate efficiently.

The Group raises the financial resources necessary to provide its products and services via a mix of internal and external sources. Specifically, the methods used by Intesa Sanpaolo to raise financial resources include:
- customer deposits: these are the main source of liquidity and comprise current accounts and term deposits from Retail and Corporate customers;
- short-term funding: it is mainly comprised of repurchase agreements and CD (certificates of deposit)/CP (commercial paper) funding on wholesale markets;
- medium/long-term funding: it is mainly comprised of own emissions on wholesale markets;
- inter-bank loans: these include loans from other banks in the interbank market;
- European Central Bank (ECB) loans: these are refinancing operations carried out by the ECB which Intesa Sanpaolo can use under certain circumstances. These loans are granted at relatively low interest rates, especially during periods of economic downturn or to boost the economy;
- own equity instruments: these are different from the other forms of funding and are critical to Intesa Sanpaolo's financial strength and financing capacity. Indeed, they protect against any losses and support creditors' and investors' trust in its solvency.

The relationship between sources (financial resources raised) and lending (utilisation of those resources, such as loans and investments) is critical to ensuring the Bank's financial soundness and sustainability and that it can provide services to customers, even in adverse market conditions. Through liquidity management, interest rate risk control, regulatory capital, and the use of risk management tools, Intesa Sanpaolo maintains a sustainable balance between resources raised and lending.

The Group has no subsidiaries that operate directly in the following sectors: fossil fuel, chemicals production, controversial weapons, growing or producing tobacco.

Furthermore, exposures in the Group portfolios are subject to specific internal regulations that implement stringent exclusion criteria for counterparties that operate in ESG-sensitive business sectors, including:
- the coal and Oil&Gas sectors, for which the Intesa Sanpaolo Group formalised its rules for lending operations; for additional information on this topic, reference should be made to the chapter ESRS E1 – Climate change;
- with reference to the arms production and trading sector, the Group adopted "Rules governing transactions with subjects active in the armaments sector" which expressly prohibit to undertake any kind of banking or lending activity related to the production of and/or trade in controversial weapons and/or those banned by international treaties and in particular: nuclear, biological and chemical weapons; cluster and fragmentation bombs; weapons containing depleted uranium; and anti-personnel landmines.

Aware of the need to support national and European defence together with the allied countries in NATO, the Intesa Sanpaolo Group limits its banking and/or lending activity solely to operations that relate to the production and/or trade of military goods in countries belonging to the European Union and/or NATO. Furthermore, financing in countries that do not belong to the European Union or NATO is permitted, but is submitted to a more rigorous assessment process, subject to the existence of intergovernmental programmes with the Italian Republic or other European Union countries or within the framework of the "ReArm Europe Plan/Readiness 2030" programme, based on pre-established thresholds. A more rigorous assessment process is always envisaged, irrespective of the amount, where the recipients of the loans of the Parent Company or the international banks are the armed forces or related defence bodies of a country where an "interstate war" is underway, even if the recipient is a country belonging to the European Union and/or NATO where a "territorial dispute" is underway, or a country bordering another in which an "interstate war" is underway. The minimum threshold is set at 25 million euro and 50 million euro, respectively.

The other Group banks and companies are not authorised to provide financing in connection with the production and/or commercialisation of military goods. Except for transactions involving controversial and/or banned weapons, the Parent Company, the Group banks and companies may process payments involving military goods as underlying assets, also based on the aforementioned obligations imposed on payment service providers by the PSD2[63], obviously in the absence of prohibitions arising from competing external regulations, particularly those relating to anti-money laundering and international financial penalties.

Value chain

The Group's value chain consists of a set of activities carried out as part of interconnected processes, as detailed below.

With respect to the upstream value chain, for additional information about the main expense categories subject to centralised sourcing[64], reference should be made to the note to "Other administrative expenses" of the consolidated financial statements.

With respect to the downstream value chain, Intesa Sanpaolo Group's distribution model relies on a multi-channel approach which combines the physical network of branches with sophisticated digital tools, offering a wide range of banking and financial services and providing customers with a seamless experience. Specifically, the distribution model is structured as follows:

- Italy branch network: Intesa Sanpaolo has an extensive branch network which enables it to reach a wide range of customers. Thanks to its physical presence, the Bank can offer customised services and expert advice on site. Branches can meet the needs of several types of customers, including Retail (private and small undertakings), Businesses, Corporate (large undertakings) and Private (high net worth customers) customers;
- digital branches: these are real branches without a physical location, which are available only by phone and computer;
- internet and Mobile Banking: these tools enable customers to carry out banking transactions, such as transfers, payments, and to monitor current accounts and investments, directly from their phone or PC. These services were designed for customers who want to manage their finances independently. The Bank also offers specific remote services for Corporate and Business customers via an IT infrastructure which enables them to receive and send flows and documents with Group banks or other banks with which the Company has a banking relationship, both in Italy and abroad;
- Isybank: this is Intesa Sanpaolo's digital complementary bank which was set up to meet the needs of young, digital customers. At Isybank, the entire banking process takes place exclusively online, without the need to go to a branch or access traditional physical services. It offers a more streamlined and rapid banking experience, focusing on clarity, immediacy and reduced costs compared to traditional banking services;
- the Group's international network: this is a strategic distribution channel as it offers widespread coverage in several international markets. Through these entities, the Group provides a wide range of services, including traditional and sophisticated banking solutions that meet local needs. This channel assists corporate and retail customers abroad, facilitating international operations and consolidating its leading position in Europe and in other strategic areas around the world;
- product factories: the Group's product factories are entities specialised in the development of specific financial products, such as investment funds, insurance and pension solutions. In certain cases, these entities distribute their products directly to customers outside Intesa Sanpaolo's network, using third-party channels;
- partnerships and service integration: the distribution model includes a series of strategic partnerships that expand Intesa Sanpaolo's offerings. Thanks to these collaborations, the Bank can offer a full range of financial solutions, from the easiest to more complex products for sophisticated customers.

The Group uses these channels to serve several types of customers, including retail customers and households, SMEs, large companies and institutions. The Group offers a wide range of products and services to retail customers and households, which include current accounts and loans, mortgage loans and savings and investment solutions. SMEs can receive specific financial services, such as loans, consultancy and payment instruments. Large companies and institutions can benefit from a comprehensive range of corporate banking, investment and treasury management services as well as international trade solutions, consolidating Intesa Sanpaolo's role as the reference partner in all economic sectors.

The Group's main customer categories are listed below:

- retail customers: individuals and companies with less complex financial requirements which are the main element of the activities of the Banca dei Territori Division (approximately 13.8 million customers) and the International Banks Division (about 7.4 million customers);
- corporate customers: companies, financial institutions and public administration, domestic and international, included in IMI Corporate & Investment Banking Division (19 thousand customers);
- private customers: high net worth individuals with more complex requirements which are offered customised services. Specifically, the Private Banking Division has approximately 129 thousand private and high net worth individuals;

With respect to the main markets, the Parent Company has a strong presence in Italy with a network made up of more than 2,600 branches. Furthermore, the Group has a strategic international presence, with over 900 branches and 7.4 million customers, including subsidiary banks operating in commercial banking in 12 countries in Central/Eastern Europe and North

[63] Payment Services Directive 2 which updates and improves the EU rules introduced by the original PSD adopted in 2007. The PSD2 came into force on 12 January 2016. Its main objectives are to: (i) contribute to a more integrated and efficient European payments market; (ii) improve the level playing field for payment service providers (including new players); (iii) make payments safer and more secure; (iv) improve the protection of European consumers and undertakings.

[64] The main expense categories subject to centralised sourcing are included in Table 12.5, "Other administrative expenses: breakdown" of the notes to the consolidated financial statements, Part C – Information on the consolidated income statement. This excludes the administrative expenses of the insurance sector, which are included under item '160. Insurance service result".

Africa. It also has an international network specialising in providing support to corporate customers in 24 countries, particularly the Middle East and North Africa, and in countries where Italian businesses are especially active.

Performance[65]

Thanks to its strong performance, the Intesa Sanpaolo Group can generate increasing and sustainable value for all its stakeholders. The Group's net income for 2025 amounts to 9.3 billion euro, thanks to which cash dividends[66] of 6.5 billion euro will be proposed to the Shareholders' Metting of Intesa Sanpaolo. Of these, approximately 35% will go directly to Italian households and foundations, and a 2.3 billion euro share buyback, authorised by the ECB, to be launched in June 2026[67], in addition to the 2 billion euro share buyback which was completed in October 2025. Personnel expenses amount to 7 billion euro. Households and businesses received medium/long-term loans worth 86.1 billion euro (of which 56.3 in Italy).

With respect to the main results in the ESG area, also considering the goals set out in the 2022-2025 Business Plan, the "Cibo e riparo per i bisognosi" (Food and shelter for the needy) programme continued, confirming Intesa Sanpaolo Group's strong focus on combating poverty. As part of this programme, 68.2 million euro's worth of initiatives have been carried out in the 2022-2025 period, exceeding the Plan's goals. Also this year, the Group confirmed its strong commitment to the green transition by disbursing new green mortgages to individuals for the purchase, construction and energy efficiency improvement of buildings, totalling approximately 15 billion euro over the 2022-2025 period, including more than 6 billion euro[68] in 2025; furthermore, the improvement of ESG asset management and insurance product offerings continued, with a penetration of about 76% of total AuM[69]. With respect to the commitment to Net-Zero, in January 2025, Intesa Sanpaolo received validation from the SBTi for its own emissions targets (which the SBTi declared to be aligned with the 1.5°C trajectory) and for the Group's financed emissions targets[70]. Finally, the Group has been confirmed as Top Employer 2026 in Europe[71] and Italy[72] for the second and fifth consecutive year, respectively. The Banks in Albania, Croatia, Serbia, Slovakia and Romania were also recognised as Top Employer 2026. Finally, it was ranked the top company in the Banking & Finance sector in the LinkedIn Top Companies 2025 ranking, which recognises companies that offer great career development and professional growth opportunities.

Materiality assessment

Methodology and rationales

For the purposes of this Consolidated Sustainability Statement, the Group has preliminarily conducted an assessment of the main material sustainability matters (the "double materiality assessment").

In line with 2024, the double materiality assessment carried out in 2025 is based on the regulatory requirements of the ESRS, the guidelines on materiality[73] and the technical details provided by the regulator (e.g. those provided in the Frequently Asked Questions (FAQs) on double materiality assessment).

In line with the provisions of the ESRS, the Group's double materiality assessment considers both the impact of the Group's operations on external and internal stakeholders (impact materiality) and the risks and opportunities that have or may have material financial implications on the Group (financial materiality). Specifically:

- impact materiality (inside-out perspective) considers impacts on the economy, the environment and people connected with the undertaking's own operations and with the upstream and downstream value chain that are relevant to the Group, including both actual and potential positive and negative impacts. The impact assessment also includes the assessment of the materiality of the effects on matters related to human rights and, more in general, areas where, when material, the disclosure could be functional to stakeholders and their assessments of the Group operations.
- financial materiality, which considers, from an outside-in perspective, sustainability matters that give rise to:
  - risks affecting, or potentially affecting, the development of the undertaking, its financial position, performance and cash flows, access to finance or cost of capital in the short, medium or long term;
  - opportunities that have, or may predictably have, a material financial impact on the Group in the short, medium or long term.

Impact materiality and financial materiality are interconnected and interrelated as the effects on the Group arising from the external context and related to sustainability topics can give rise to risks and opportunities. Therefore, risks and opportunities are identified based on the impacts, dependencies and sustainability issues that have or could have financial effects on the Group.

The Group assessed both dimensions (impact materiality and financial materiality) in order to identify and assess material impacts, risks and opportunities (IROs) and reported on the material aspects according to these perspectives. Compared to the double materiality assessment carried out in 2024, the methodological approaches adopted to assess the materiality of IROs

[65] The disclosure about performance set out in this paragraph is reflected in the "Consolidated results of Intesa Sanpaolo" section of the Report on operations which accompanies the consolidated financial statements.

[66] Of these, 3,234 million euro paid as interim dividend on 26 November 2025 (18.6 cents per share) and 3,309 million euro to be paid in May 2026 (19.0 cents per share), equal to 37.6 cents per share in 2025.

[67] Subject to shareholder approval.

[68] As of 30 June 2024, green mortgages disbursed by the International Banks Division are also recognised.

[69] Eurizon boundary - funds and asset management products under Article 8 and Article 9 SFDR 2019/2088, including, portfolio management schemes.

[70] For more details, see the ESRS E1 – Climate Change chapter.

[71] From Top Employers Institute.

[72] From Top Employers Institute.

[73] Reference should be made to the guidelines "IG 1: Materiality Assessment Implementation Guidance" issued by EFRAG in May 2024. The reference methodological document for conducting double materiality assessments, which provides operational guidelines on how to identify and assess impacts, risks and opportunities for ESRS purposes.

involved developments in assessment methodologies, resulting in changes to the materiality results. These developments are described in detail in the relevant sections (see “Materiality assessment of risks”).
The Group conducted the double materiality assessment in accordance with the Group’s business context and via an active dialogue with stakeholders. In particular, the Group considered and emphasised the specific characteristics of the business lines and the geographical areas in which it operates and in which its counterparties, customers, and suppliers operate.

The results of the double materiality assessment provide the basis for sustainability reporting and are crucial in shaping the business strategy on material topics for the business and stakeholders. This is in line with the EFRAG (European Financial Reporting Advisory Group) guidelines, which provide for the engagement of stakeholders in the double materiality assessment process. Stakeholders are engaged through various listening and dialogue methods. These methods are employed both with the relevant internal structures that are in direct contact with the stakeholders concerned, and with the stakeholders themselves (see “Mapping and engagement of the Group’s stakeholders”). The perspectives emerging from this dialogue are integrated into the process for identifying and assessing the materiality of IROs on a qualitative basis. The results make it possible to identify the material topics in relation to which the disclosure describes the controls for managing and monitoring them through specific policies, actions and targets.

The double materiality assessment was carried out in accordance with the following macro-stages:
- Group’s stakeholder mapping to identify and monitor their needs and perspectives in relation to the impacts, risks and opportunities they consider a priority;
- business context analysis to identify positive and negative, actual and potential impacts on the economy, the environment and people, including human rights, arising from Group operations, and the risks and opportunities generated by the external environment, based on an analysis of different sources, such as national/international documentation in the ESG regulatory context and the documentation relevant to the sector in which the Group operates at national and international level. this analysis is also aimed at identifying any developments compared to the previous double materiality assessment;
- identification of the IROs to be assessed and which are potentially relevant to the Group with respect to the topics (sustainability topics) identified by legislation;
- assessment of the IROs which are potentially relevant to the Group by:
  - conducting an internal analysis based on metrics aligned with the requirements of the ESRS reporting standards (as described below). With respect to these metrics, the thresholds identified exclude materiality for IROs for which the likelihood on the one hand or the significance / magnitude[74] on the other are to be considered not material. Therefore, in order to determine materiality, both likelihood and significance / magnitude must be non-residual. The IROs were also assessed to ensure overall consistency with the current Group risk management process, in order to comply with regulatory requirements;
  - engaging the Group’s internal operating structures that are competent for the specific relevant topics;
  - engaging its stakeholders via the engagement and management activities listed below;
  - identifying the sustainability matters relevant to the Group based on the aggregation of the materiality results of the IROs arising from internal analysis and stakeholder engagement activities;
- consolidating and sharing the list of sustainability matters material for the Group.

The process is updated on an annual basis and revised based on any regulatory changes, any refinements to the methodological approach for the double materiality assessment and changes relevant to the internal and external context.

The above macro-stages, which identify and assess IROs, are set out in more detail in the following operating process.

[74] Metrics consistent with the ESRS reporting standards and described in more detail in the “Assessment of the materiality of IROs” section. In particular, significance refers to the materiality assessment of impacts and magnitude to the financial one.

Mapping and engagement of the Group's stakeholders

Stakeholder engagement is the process through which the Group engages with its stakeholders so that their views and requests are also taken into account in the double materiality assessment.

In this respect, the stakeholder map represents the Group's network of relations, with which Intesa Sanpaolo exchanges views on a regular basis in order to identify and monitor their needs and prospects in relation to priority impact, risk and opportunities areas.
When performing the double materiality assessment, in line with the applicable EFRAG Guidelines, the Group applied the following stakeholder engagement approach:

- engage the Group's competent internal structures which maintain constant and ongoing dialogue with the stakeholders concerned, in mapping and assessing the materiality of impacts, risks and opportunities (stakeholder management);
- directly engage specific stakeholders via dedicated workshops, interviews and questionnaires (stakeholder engagement).

Group stakeholders categories are shown in the above map. Some of these stakeholders were engaged in the identification and assessment of the materiality of the IROs linked to the sustainability topics which are closer to their experience, knowledge and sensitivity. This enhanced stakeholders' knowledge of the Group's processes and strategies related to the sustainability matters closest to them.

The listening methods applied to each category of stakeholders and a summary of the sustainability matters explored with each category are shown below:

CATEGORY OF STAKEHOLDER	STAKEHOLDER	LISTENING AND DIALOGUE METHOD	SUMMARY OF THE ISSUES COVERED
CUSTOMERS	Retail customers	Integration of dedicated questions in the retail customer questionnaire and interview with BdT structures	▪ Initiatives for environmental protection and reduction of the environmental footprint of the Group's offices and branches ▪ Responsible, solid and sustainable governance, value creation and distribution for all the Group's stakeholders ▪ Commitment to promoting sustainable economic development, also in light of the international and EU objectives in the Climate Change and sustainability area. More specifically, promotion of an economic model with low carbon emissions based on the circular economy, through the development of a dedicated, customer-centric offering ▪ Pursuit of the banking business in full compliance with the rules and principles of fairness in business ▪ Disbursement of loans to sections of society that would find it difficult to access credit, and provision of products with a high social impact ▪ Attention to service quality, customer care, relationship and satisfaction ▪ Promotion of a growth strategy geared towards digital innovation to anticipate new trends and be competitive on the market ▪ Commitment to asserting its role as a digital company through an advanced multichannel platform aimed at ensuring an innovative, safe and effective offer ▪ Commitment to guaranteeing IT security to its customers ▪ Sustainable investments and integration of sustainability issues in the conduct of the insurance business ▪ Talent development, development of internal skills, evaluation and incentive systems, regular training plans, diversity management ▪ Support to the community and commitment to culture through solidarity initiatives with projects carried out in partnerships, donations and sponsorships, promotion of art and culture in Italy and abroad
	Corporate customers	Integration of dedicated questions in the corporate customer questionnaire and interview with BdT structures.	
ENVIRONMENT/ COMMUNITY	Internal representative figures and reference experts	Virtual one-to-one interviews with representative figures of the Community and the territory and interviews with the internal structures	▪ Environmental aspects, in particular in relation to climate change and biodiversity ▪ Evolution of the regulatory environment (e.g. CSDR, ESRS) and the potential impacts on organisations ▪ Ability to promote a systemic approach towards the achievement of the Sustainable Development Goals (SDGs) defined in the context of the United Nations ▪ Leading role of the Intesa Sanpaolo Group on ESG issues ▪ Importance in communicating the results achieved and the objectives set in the sustainability and ESG area ▪ Main challenges and strengths of the Intesa Sanpaolo Group for the implementation of the Business Plan with a focus on the ESG area ▪ Importance of diversity and inclusion within the workplace ▪ Relevance of the concept of Innovation and related satisfaction of customer needs ▪ Customer loyalty ▪ Customer protection through transparency in product offerings ▪ Support for SMEs in the sustainability area
	Opinion leaders	Integration of dedicated questions in the survey carried out on opinion leaders belonging to the financial area and to trade associations, ESG experts, top managers	▪ Environmental aspects, in particular relating to climate change and circular economy ▪ Employee well-being ▪ Community support, social commitment and inclusiveness ▪ Workers' rights and corporate governance

CATEGORY OF STAKEHOLDER	STAKEHOLDER	LISTENING AND DIALOGUE METHOD	SUMMARY OF THE ISSUES COVERED
SHAREHOLDERS/ INVESTORS	SRI investors	Analysis of the main questions asked by the ESG Investors of the Intesa Sanpaolo Group and discussion with the competent internal structure	▪ Environmental aspects, in particular relating to climate change adaptation, biodiversity, natural resources and decarbonisation ▪ Aspects relating to finance and sustainable investments ▪ Sustainability policies developed by the Bank ▪ Inclusion and diversity ▪ Employee well-being ▪ Development and digitalisation ▪ ESG sustainability and integration in business strategies ▪ Gender pay gap ▪ Impacts of Artificial Intelligence on the Group's workforce ▪ Workers' rights ▪ Corporate governance
PEOPLE	Group's people, in Italy and abroad	• Interviews with HR internal structures • Survey aimed at listening to the opinions and needs of the Group's people by providing a questionnaire to over 89,000 Group's people as part of an internal climate survey which included questions relating to sustainability topics	▪ Assessment of the perception of the Group's image from the customers' point of view, based on individual professional experiences ▪ Attention and care of employment levels in restructuring processes ▪ Recruitment of young people ▪ Assessment of the variables related to personnel enhancement (e.g. sense of pride and belonging, merit recognition, autonomy and financial recognition) ▪ Talent development and retention ▪ Assessment of the training and professional growth opportunities provided by the Intesa Sanpaolo Group ▪ Employee well-being (flexibility and work-life balance, relationship with colleagues and managers) ▪ Job satisfaction of Intesa Sanpaolo Group people ▪ Evaluation of the transparency and objectivity of the performance assessment systems ▪ Assessment and knowledge of the Policies applied by the Group (e.g. Diversity and Inclusion) ▪ Assessment of customer satisfaction on aspects such as the reliability, transparency and clarity of the Intesa Sanpaolo Group's procedures ▪ Intesa Sanpaolo Group ESG initiatives and products
	Trade unions	Virtual focus group with trade union representatives	▪ Employment protection and future, including in consideration of the service digitalisation trend ▪ Community support ▪ Financial inclusion ▪ Disclose sustainability information ▪ Environmental issues and biodiversity ▪ Ecological transition, importance of the use of renewable energies and promotion of sustainable mobility for employees ▪ Gender pay gap / equality
SUPPLIERS	Dedicated internal structure	One-to-one interviews	▪ Environmental topics, biodiversity and circular economy ▪ Job protection, health and safety, diversity & inclusion and well-being of people along the supply chain ▪ Management of relationships with suppliers

Employee representatives pursuant to Legislative Decree no. 125/2024 were engaged in compliance with the relevant regulations and agreements, in particular:

– in discussions with all the trade unions signatory to the sector national collective bargaining agreement, through a focus group dedicated to the 2025 double materiality assessment;
– in a meeting between the company and the Group Trade Union Delegation, following approval of the Consolidated Sustainability Statement 2024 by the Board of Directors, focused on the presentation of its content.

Analysis of the relevant business context

In order to map and preset IROs, the Group analysed the context in which it defines and implements its business activities and relationships. Specifically, the following elements were considered:

– external documentary sources, updated to the most recent versions, to analyse reference standards and frameworks, including international indices (Dow Jones Best-in-Class Indices, Morningstar ESG Indexes, Euronext ESG Indices CDP 2024), reference standards and reports for the reporting of sustainability performance (WEF's Global Risks Report, The OECD Guidelines for Multinational Enterprises, BSR – Business for Social Responsibility, World Business Council for Sustainable Development – WBCSD), documents and reference frameworks in the field of Human Rights (UN Guiding Principles on Business and Human Rights), the Proposal for a Directive of the European Parliament and of the Council on corporate sustainability due diligence which amends EU Directive 2019/1937 (CSDDD, EU Directive 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence) and further reference regulations referred to by the ESRS (EU Regulation 2019/2088 – SFDR, EU Regulation 575/2013 – "Pillar 3", EU Regulation 2016/1011 – "Benchmark Regulation", EU Regulation 2021/1119 – "EU Climate Law");

- external documentary sources, updated to the most recent versions, for the analysis of current trends in the banking and insurance sector, including the SASB Materiality Map, S&P Global Ratings, Fitch Ratings, The OECD Guidelines in the context of Institutional Investment, Financial Sector - Responsible business conduct for institutional investors - Key considerations for due diligence under the OECD Guidelines for Multinational Enterprises, MSCI - ESG Industry Materiality Map, GRI – Sector Standards, the Supervisory Expectations of the Bank of Italy and the ECB, the Recommendations of the Task Force on Climate-related Financial Disclosures (in particular, the "Climate-Related Risks, Opportunities, and Financial Impacts" section), Principles for Responsible Banking, accounting standards (IFRS) for Sustainability Reporting;
- internal document sources, updated to the most recent version, including the Business Plan, the Code of Ethics, the Consolidated Non-financial Statement prepared in accordance with the CSRD, the Financial Statements, communications of the top management, the minutes of the Shareholders' Meetings and company policies, also in order to identify how the impacts are linked to the strategy and business model;
- benchmark conducted on the main other players of the banking sector in relation to material aspects, relevant stakeholders and the methods used to report materiality results (Sustainability statements for CSRD purposes and other public documentation from other national and international financial groups), in order to ensure that the Group is fully aware of the market context in which it operates;
- feedback/input arising from the engagement of the Group's stakeholders.

Identification of impacts, risks and opportunities

The analyses conducted identified, for each ESRS, the Group's possible IROs, applied to own operations and the value chain. Impact materiality and financial materiality are interrelated and, from a methodological point of view, they were assessed at the same time to identify any elements of interaction and connection.

The Group's impacts on people or the environment are identified based on the specific features of the Group's operating and business model, changes in strategy and management decisions made to address those impacts, and based on internal analysis and due diligence processes, in addition to the reference context.

In particular, mapping of climate and environmental impacts, risks and opportunities (ESRS E1, E2, E3, E4 and E5) was carried out on the basis of the following aspects:

- the context in which the Group defines and implements its business activities and relationships (for example, "Rules for the environmental and energy policy", "Group Guidelines for the Governance of Environmental, Social and Governance (ESG) risks", objectives of the 2022-2025 Business Plan, internal documents such as the "Business Environment Scan" and Climate/ESG Materiality Assessment);
- controls put in place by the Group in order to counter climate change, minimise the negative impacts connected to pollution, promote and protect biodiversity and ecosystems and contribute to the implementation of recycling systems and the use of recycled/recyclable materials;
- signing/renewing agreements/partnerships with associations (for example, One Ocean Foundation, mainly engaged in research and development projects in this area, or the Ellen MacArthur Foundation, with Cariplo Factory for the Circular Economy Lab), collaborations with universities in order to develop initiatives on the relevant issues (for example, the development of a study centre on blue economy topics) and dedicated initiatives and projects;
- assessment of transition and physical risks, as well as risks linked to pollution, water management and use, biodiversity and circular economy to which the Group may be exposed;
- consultations with experts in environmental matters.

Similarly, social and governance impacts, risks and opportunities (ESRS S1, S2, S3, S4 and G1) are identified based on the following aspects:

- the context in which the Group defines and implements its business activities and relationships (for example, Principles on Human Rights, Group Guidelines for the Governance of Environmental, Social and Governance (ESG) risks, 2022-2025 Business Plan, policies governing the various areas. etc.);
- internal controls put in place in order to minimise the negative impacts connected to the relevant matters in relation to own operations and the upstream and downstream value chain (for example, protection policies and measures that contribute to safeguarding the rights of workers in the value chain and aimed at protecting/ensuring the confidentiality of customer data, such as the code of ethics, Guidelines and Rules on the protection of individuals' personal data etc.);
- process to analyse the initiatives implemented by the Group to support, safeguard and enhance the community of the area in which it is based;
- assessment of the risks to which the Group may be exposed, with respect to aspects related to own workforce, workers in the value chain, consumers and end-users, local communities and Group's business conduct.

For the purposes of identifying IROs and conducting the double materiality assessment with respect to own operations, the Group considered all its own workers (employees and non-employee workers) for whom it generates or could generate material impacts or who could generate risks and/or opportunities. Workers making up the Group's own workforce include employees engaged on permanent, temporary or apprenticeship contracts and contractors engaged on temping or project-based contracts.

With respect to the value chain, the types of workers considered in the double materiality assessment, include the employees of the company being financed or in which the Group invests, workers employed in the supply chain, temporary or flexible staff and outsourced resources.

The Group has also taken into consideration all categories of customers and end consumers that are or could be impacted in a material way by the Group and its products or who could generate risks and opportunities.

Finally, the communities analysed mainly include companies in the social fabric in which the Group conducts its business activities, as well as the communities of people affected by the Group's main activities.

Assessment of the materiality of IROs

Materiality assessment of impacts

In order to assess impacts on people and the environment, an internal analysis was conducted using the following metrics, in accordance with reference legislation:

- scale, i.e. how grave the impact is, based on a scale that ranges from "very low" to "very high";
- scope, i.e. how widespread the impact is, based on a scale that ranges from "highly localised" to "global";
- irremediable character, i.e. the extent to which the impact can be remediated and, for negative impacts, based on a scale that ranges from "very low" to "very high";
- likelihood, which measures the likelihood of occurrence of the impact and, for potential impacts, is based on a scale that ranges from "very unlikely" to "extremely likely", considering different time horizons.

For each metric described above, a score is assigned (based on an internal qualitative-quantitative approach) in relation to each individual impact identified by the Group.

Impact materiality is represented by exceeding a pre-established materiality threshold, calculated as the arithmetic average of the score assigned to the scale, scope and irremediable character metrics. Specifically, the materiality:

- of a positive actual impact is the average of the score assigned to the scale and scope metrics;
- of a negative actual impact is the average of the score assigned to the scale, scope and irremediable character metrics;
- of potential impacts is also determined by likelihood. Specifically, the materiality:
  - of a potential positive impact is obtained by multiplying likelihood by the average of the score assigned to scale and scope.
  - of a potential negative impact is obtained by multiplying likelihood by the average of the score assigned to the scale, scope and irremediable character metrics.

For potential negative impacts on human rights, the materiality of the impact (scale, scope and irremediable character) is more important than the likelihood[75], in line with the requirements of the ESRS; this guideline has been incorporated into the assessment methodology adopted.

Time horizons considered when assessing scale, irretrievable character and likelihood in accordance with the ESRS' definition of short, medium and long term[76] are defined as follows:

- short term: the time horizon is 1 year (for items whose expected effect covers short timeframes);
- medium term: the time horizon is up to 5 years (for aspects linked to controls for which a lasting benefit is expected);
- long term: the time horizon is more than 5 years (for elements linked to policies in place in the medium to long term, multi-year action lines).

Impact materiality was assessed taking into account the Group's specific features and was conducted through interviews with internal units affected and external stakeholders (e.g. interviews and discussions with sector experts, experts on communities and the environment or trade union representatives), and a qualitative and quantitative analysis based on the criteria and metrics envisaged by international frameworks and standards[77]. This led to the identification of material impacts generated both through direct activities (own operations boundary) and through business relationships (upstream and downstream value chain boundary).

The assessment was carried out in accordance with an approach which, in general, does not consider any benefits arising from remedial actions and mitigation factors. However, sector legislation (structural controls pursuant to the law) that regulates the Bank's activities on an ongoing basis (for example, anti-money laundering or the GDPR Regulation) was considered.

With reference to climate and environmental standards (ESRS E1, E2, E3, E4 and E5), the impact assessment is carried out, for each identified boundary, as described below:

- own operations: impacts were assessed on the basis of qualitative drivers connected with, among other things, the adoption of internal policies and the promotion of initiatives able to guarantee the achievement of the objectives of pollution reduction targets, climate neutrality and energy efficiency as well as initiatives aimed at responsible water use and the use of recyclable/biodegradable materials;
- upstream value chain: the assessment involved the analysis of ESG questionnaires administered to suppliers and of their feedback;
- downstream value chain: analysis of indirect impacts conveyed through quantitative analyses related to exposures in the Group's portfolios. Indeed, loans/investments in sectors/countries that perform poorly in ESG terms, could generate an indirect negative impact of the Group externally, in addition to entailing a possible risk. For this reason, the analyses carried out for risk assessment purposes are used to assess indirect negative impacts, in order to consider exposure to counterparties belonging to sectors considered to be high-impact from a climate and environmental perspective (for

[75] In line with the ESRS, the likelihood metric is still weighted in calculating materiality. However, it is given a lower weight compared to the materiality component. As stated in IG 1 EFRAG: "*[…] in the case of human rights impacts, […], severity takes precedence over likelihood when identifying material matters*".

[76] As already described in the "Time horizon" section of the above paragraph "Basis for preparation and methodology".

[77] The analysis was carried out in accordance with the methodologies developed by the UNEP FI (United Nations Environment Programme Finance Initiative) and the PSI (Principles for Sustainable Insurance) initiatives, which were also integrated with risk metrics developed internally by the Group.

example, sectors that generate high greenhouse gas emissions and are considered to be highly exposed to physical and transition risks related to climate change or sectors considered to be high-impact in terms of specific environmental matters).
- Furthermore, in order to assess the impacts associated with the downstream value chain, the targets of the dedicated initiatives that the Group has signed on or refers to (e.g. UN Global Compact, Net Zero Banking Alliance - NZBA[78]) were analysed, as well as the investment/loan strategies and criteria defined to assess the counterparties (e.g. internal financing and investment policies that provide for the selection of undertakings that have defined and implemented climate change actions).

With respect to social standards (ESRS S1, S2, S3 and S4), impacts are assessed based on the three reference boundaries, as described below:
- own operations: the assessment was performed on the basis of drivers such as the identification and implementation by the Group of controls and policies on working conditions, equal treatment and opportunities for all and the privacy of workers (such as recruitment plans, talent development programmes, occupational health and safety measures, controls to promote diversity and inclusion), and aimed at safeguarding/protecting the confidentiality of customer data and their health and physical safety. Furthermore, in order to assess the impacts associated with own operations, initiatives to support communities through the protection/enhancement of the area in which they live were analysed;
- upstream value chain: analysis of ESG questionnaires administered to Group suppliers and of their feedback. Furthermore, an analysis of the Group's business context and the categories of suppliers used by the Group was carried out;
- downstream value chain: analysis of the indirect impacts conveyed through the exposures on the Group's portfolios, in order to take into consideration exposures to counterparties belonging to sectors/countries with a high impact from the point of view of the recognition/protection of workers' rights or sectors with a high impact on local communities. In addition, the definition of investment/loan policies/strategies was taken into account to assess impacts on counterparties. With respect to ESRS S4, the assessment was conducted also taking into consideration the protection and safeguarding of consumers and customers in the context of the Group's offering of products and services (e.g. promotion of ethical and transparent business practices, fair treatment of customers, accessibility of the Group's official website).

Finally, with respect to ESRS G1, the impact assessment was conducted across the following boundaries:
- own operations: use of qualitative drivers relating to the Intesa Sanpaolo Group's establishment of internal controls such as the dissemination of a conscious and adequate corporate culture (e.g. promotion of ethical and responsible practices);
- upstream value chain: analysis of the ESG questionnaire prepared by the Group and administered to suppliers, along with an analysis of their feedback;
- downstream value chain: analysis of the indirect impacts arising through exposures in the Group's portfolios, in order to take into consideration the Group's exposure to counterparties/undertakings belonging to high-impact industries in terms of business ethics (e.g. respect for human rights and compliance with external and internal regulations, fight against tax evasion, money laundering and anti-competitive behaviour). In addition, relevant investment/lending criteria and strategies were taken into account in assessing the counterparties.

Materiality assessment of risks[79]

For risk assessment purposes, the analysis was carried out based on the metrics set out in the ESRS and listed below:
- magnitude: this is the potential magnitude of the financial effects arising from risks and is defined using a scale which ranges from "negligible" to "significant", respectively;
- likelihood of occurrence: this indicates how likely a risk is to occur. It was defined using a scale which ranges from "very low" to "very high";

The level of materiality is subsequently calculated as the result of the scores assigned to the above two metrics.
The materiality of a risk is eventually determined by the product value exceeding a specific materiality threshold.

The analysis is based on a cautious approach and was conducted over multiple reference time horizons, in line with the forward-looking estimates and developments already produced within the Group (e.g., Climate/ESG Materiality Assessment, ICAAP, Business Environment Scan) and with scenarios arising from external sources. In particular, the following time horizons were considered[80]:
- short-term: the reference time horizon is 1 year (RAF reference);
- medium-term: the reference time horizon is up to 5 years (reference linked to simulation/stress scenarios);
- long-term: the reference time horizon is more than 5 years (reference linked to medium to long-term planning, multi-year action lines).

The materiality assessment considered the actual financial impact of the Group's material risks. In line with reference legislation, this assessment was conducted using approaches that reflect the highest level of granularity available and the estimates and assessments made by the Group as part of ordinary risk analysis activities.

In line with the Guidelines[81], the financial effects are assessed based on two drivers:

[78] In October 2025 the Net Zero Banking Alliance changed its structure, transforming from a voluntary membership-based alliance to a new framework initiative, with the goal of continuing to provide guidelines to promote the transition in compliance with the Paris Agreement.

[79] The main information on climate risks provided in this paragraph is also included in the "ESG (Environmental, Social and Governance) and climate change risk" section of the notes to the consolidated financial statements, Part E – Information on risks and relative hedging policies and in the section "Climate-related matters" of the notes to the consolidated financial statements, Part A – Accounting policies.

[80] As already outlined in chapter "ESRS 2 - General disclosures, Drafting criteria and methodology, Time horizons".

[81] "EFRAG IG 1: Materiality Assessment Implementation Guidance".

- the Group's exposure to the counterparties in the portfolio and financial institutions that issue debt securities that belong to sectors or countries potentially exposed to ESG risk factors;
- the effects arising from the Group's inadequate operating processes, including assets, resources and relationships (internal and external) that form part of its own operations, or by the threat of penalties or penalties applied in respect of sustainability issues.

Magnitude and likelihood of occurrence and the consequent assessment of the financial effects of risks were determined considering also the following additional elements:
- qualitative elements, by involving the different Group structures, aimed at collecting additional feedback to complement quantitative analyses;
- quantitative elements, using, where possible, methodologies, controls and metrics already in place within the Group (e.g. materiality assessment of environmental, social and governance risks compared to traditional risks (prudential from a financial perspective) as well as data from structured internal processes (accounting data and data used to produce internal or external reporting such as, for example, risk data and projections).

Each sustainability issue was allocated to the traditional risks to which financial intermediaries are exposed (e.g. credit risk, market risk, liquidity risk, operational risk) and was examined at the most granular level possible, linking it to cases that were examined in detail.

The assessments were carried out in line with the current risk management process and the Group's regulatory framework, introducing, compared to the previous double materiality assessment, some developments in the methodological approaches that led to a more extensive consideration of elements that reflect the specific features of the counterparties in the portfolio.

With respect to climate change (ESRS E1), the analyses were conducted by assessing the materiality of the risks identified in relation to matters which included "Climate change mitigation", "Climate change adaptation" and "Energy".
The analyses considered the time horizons previously defined, referring, depending on the period, to internal documentation as well as simulations and projections used for the purpose of analysing the risks to which the Group is exposed.

In order to identify and assess climate change-related risks (physical and transition), the Group has adopted a structured process, which is based on the following operational steps:
- identification of material climate hazards by analysing potential climate-related physical risks, distinguishing between acute physical risks (e.g. heat waves, storms, floods, forest fires) and chronic risks (e.g. sea level rise, changes in mean temperatures, changes in precipitation patterns), and using high-emission climate scenarios[82] and regional projections to identify and predict material climate events;
- identification of transition risks using climate projections based on the Network for Greening the Financial System (NGFS) scenarios, in line with the Paris Agreement, in order to capture the impacts arising from climate change and the decarbonisation process of economies;
- identification of supporting tools and climate data, which consists of the application of geospatial analysis tools and climate models to ensure that risk identification is based on reliable data and recognised methods;
- integration of climate and environmental risk assessments into risk management systems to enable the identification of priorities and the development of mitigation and adaptation strategies to reduce overall vulnerability.

The assessments covered the three identified boundaries and examined the following aspects:
- own operations: analysis of assets and operating activities in order to assess the degree of exposure and sensitivity to the climate hazards identified, considering the risks arising from the potential disruption to the Group's operations. This analysis takes into account the likelihood, potential magnitude and duration of risk events, as well as the specific geographical coordinates of the Group's operating sites as well as efficiency processes and developments in climate-related legislation, technology and markets;
- upstream value chain: assessment of the existence of suppliers which adopt less structured controls with respect to the relevant climate issues (e.g. policies to protect company assets, updating of Business Continuity and Disaster Recovery plans, and energy efficiency measures for premises);
- downstream value chain: analysis of the Group's portfolio in order to assess exposure to counterparties potentially exposed to physical and transition risk factors, in particular by:
  - assessing, with reference to the loan portfolio, exposure to transition risks by considering climate projections based on climate scenarios[83] or the effects of climate events on the value of counterparties' production activities;
  - assessing, with reference to sovereign bond exposures, the impacts of transition risks on bond yields by projecting interest rates under different climate scenarios from which potential shocks to the underlying yield curves are derived.

With respect to environmental standards (ESRS E2, E3, E4 and E5), the following analyses were carried out across the three reference boundaries:
- own operations: assessment of risks linked to environmental matters, based on the Group's core business;
- upstream value chain: assessment of the existence of suppliers that adopt less structured controls with regard to the environmental matters considered;
- downstream value chain: analysis of the Group's portfolio in order to assess exposure to counterparties characterised by poor practices in relation to the environmental matters considered (for example, potentially arising from events related to pollution, the use of polluting substances and the use of marine water resources as well as from threats to biodiversity, the balance of the relevant ecosystems and the circular economy).

[82] For example, the IPCC SSP5-8.5 scenario.

[83] Network for Greening the Financial System (NGFS).

Finally, with respect to social and governance standards (ESRS S1, S2, S3, S4 and G1), the analyses across the different boundaries were as follows:
- own operations: assessment of potential penalties arising from the Group's operations as well as the risks connected to inadequate drafting or implementation of policies aimed at protecting the rights of workers in its own workforce, workers in the Group's value chain and consumers and end users (including aspects related to cybersecurity issues);
- upstream value chain: assessment of the existence of suppliers that adopt less structured controls over issues related to the rights of workers in the Group's value chain (e.g. limitations to the renewal of employees' fixed-term contracts, inadequate preparation of company welfare/benefit systems) as well as over business conduct issues (e.g. publication of a "code of ethics" by suppliers, definition of an anti-corruption policy, etc.);
- downstream value chain: analysis of the Group's portfolio in order to assess exposure to counterparties characterised by poor practices in relation to issues related to the rights of workers in the value chain (for example, adequate salary, collective bargaining), the rights of affected communities and business conduct.

The process of mapping and assessing risks linked to social issues and business conduct that have or could have financial effects entailed the use of specific criteria; in particular:
- with respect to social issues, the Group also considered all the dependencies of risks on the identified impacts. For example, a negative impact related to lending/investment in sectors/countries that are potentially more exposed to risks related to the protection of their employees' rights could lead to a reputational and/or credit risk arising from the portfolios to which the Group is exposed given the high concentration in these sectors/countries;
- with respect to issues related to business conduct, the Group takes an integrated approach, assessing location, type of activity, sector and operating structure. This approach considers the countries and sectors in which the Group operates, as well as the suppliers and counterparties it finances or in which it invests.

In particular, in relation to own operations, potential penalties arising from violations of regulations and procedures are monitored; in relation to the upstream value chain, suppliers are monitored and selected according to criteria that promote corporate soundness and compliance with ethical standards; and in relation to the downstream value chain, counterparties' legal compliance is checked before providing them with products and services.

Materiality assessment of opportunities

Opportunities were assessed using a methodology consistent with that of risks. Therefore, for opportunity assessment purposes, the analysis was carried out based on the metrics set out in the ESRS, as described below:
- magnitude: this is the potential magnitude of the financial effects arising from opportunities and is defined using a scale which ranges from "negligible" to "significant";
- likelihood of occurrence: this indicates how likely a financial opportunity is to occur. It was defined using a scale which ranges from "very low" to "very high".

The level of materiality is subsequently calculated as the result of the scores assigned to the above two metrics.
The materiality of an opportunity is eventually determined by the product value exceeding a specific materiality threshold.

The analysis is based on a cautious approach and was conducted over multiple reference time horizons, in line with the forward-looking estimates and developments already produced within the Group (for example budget planning) and with scenarios arising from external sources. In particular, the following time horizons were considered[84]:
- short-term: the reference time horizon is 1 year (reference linked to the budget);
- medium-term: the reference time horizon is up to 5 years (reference linked to simulation scenarios);
- long-term: the reference time horizon is more than 5 years (reference linked to medium to long-term planning, multi-year action lines).

The materiality assessment considered the actual financial impact of the Group's material opportunities. In line with reference legislation, this assessment was conducted using approaches that reflect the highest level of granularity available and the estimates and assessments made by the Group as part of ordinary planning activities.

The process begins with the identification phase, which considers the Group's external impacts and the potential opportunities that may arise therefrom. For example, the positive impacts arising from the adoption of policies to guarantee adequate working conditions, such as secure employment and adequate wages, and equal treatment, such as gender equality and inclusion, flexible working arrangements and work-life balance, can contribute to the creation of opportunities to improve brand reputation, enhance stakeholder trust and attract new talent.
As a result of the above stage, the Group has identified the following macro-categories of opportunities: (i) expand the product range and the customer portfolio; (ii) improve brand reputation and increase stakeholder trust; (iii) attract talent.

With respect to the allocation of magnitude and likelihood of occurrence to the identified opportunities, in line with the Guidelines[85], the following additional elements were also considered:
- qualitative elements, through assessments that highlight the initiatives, controls, policies and internal strategies prepared by the Group. Where necessary, the assessments were integrated with additional ones to accurately meet the requirements applicable to the relevant sustainability matter;

[84] As already outlined in chapter "ESRS 2 - General disclosures, Drafting criteria and methodology, Time horizons".

[85] "EFRAG IG 1: Materiality Assessment Implementation Guidance".

- quantitative elements, by identifying and using quantitative targets defined in the budget document and the Business Plan as well as assessments of the possibility of expanding target customers by developing products aligned with sustainability goals. The above assessments were based on data and information already used in the Bank's internal processes.

With respect to climate change (ESRS E1), the assessments conducted across the identified boundaries covered the following aspects:
- own operations: analysis of the current and/or planned initiatives implemented by the Group to support climate change mitigation and energy efficiency goals that could contribute to improving the Group's brand reputation;
- downstream value chain: assessment of the opportunity to expand the product range aligned with environmental sustainability objectives. This analysis was also carried out taking into account the possible presence of indicators related to disbursed (or planned) funding aimed at climate change mitigation and adaptation.

With respect to environmental standards (ESRS E2, E3, E4 and E5), the following analyses were carried out across the reference boundaries:
- own operations: analysis of the Group's current and/or planned initiatives to reduce pollution and support biodiversity, ecosystems and the circular economy, which could contribute to improving the Group's reputation;
- downstream value chain: assessment of the possibility of expanding the product range by developing products aligned with environmental sustainability goals (for example aligned with goals related to reducing pollution and issues related to water management, biodiversity and the circular economy). The analysis considered any budget performance targets and indicators linked to the environmental matters examined and those indicators related to disbursed or planned funding in line with environmental matters (for example aimed at improving impacts on and preserving biodiversity and ecosystems as well as improving circular economy profiles and the efficiency of production processes).

Lastly, with reference to social standards (ESRS S1, S3 and S4), the analyses across the different reference boundaries were as follows:
- own operations: analysis of the initiatives, controls, policies and processes in place and/or planned by the Group to protect the rights of its own workforce and with regard to customers, which could give rise to opportunities to attract external talent and strengthen the Group's reputation as well as stakeholder trust.
- In-depth analyses were also carried out with the dedicated structures, also checking the existence of initiatives relating to activities that support the community and the local area, which could strengthen the Group's reputation and stakeholder trust;
- downstream value chain: assessment of the possibility of expanding the product range by guaranteeing access for all social categories of consumers and end users, including the most vulnerable ones.

With respect to matters related to workers in the value chain (ESRS S2) and business conduct (ESRS G1), given the specific features of the Group's core business and following in-depth discussions with the dedicated structures, no potentially significant opportunities were identified from a financial materiality perspective.

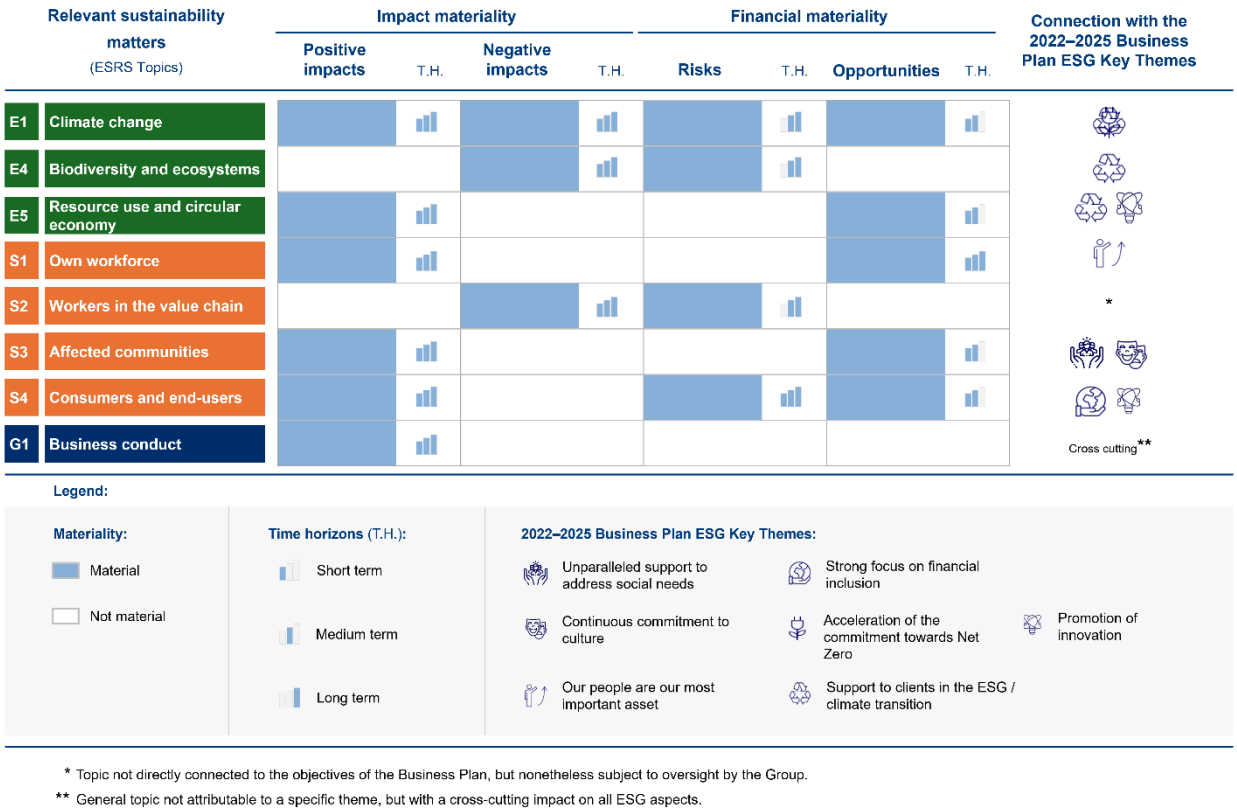
Consolidating and sharing the list of sustainability matters material for the Group.

The Group has a structured decision-making process designed to consolidate and verify material impacts, risks and opportunities for each ESRS issue. A summary of the mapping of the identified IROs and the main evidence and outcomes obtained was prepared after performing the double materiality assessment.

The Group's internal operating structures examined, discussed and consolidated the above mapping of IROs. Each structure examined the mapping to the extent of its remit, using the aforementioned stakeholder management process.

After completing the impact and financial materiality assessment, the identified material sustainability matters were discussed with the Steering Committee and the Risks and Sustainability Committee which supports the Board of Directors in its subsequent approval.

The results of the 2025 double materiality assessment are summarised below, broken down by each relevant ESRS macro-issues and the related time horizons of materiality.
Reference is also made to the key ESG topics set out in the 2022-2025 Business Plan, associated with each of the material ESRS.



* Topic not directly connected to the objectives of the Business Plan, but nonetheless subject to oversight by the Group.

** General topic not attributable to a specific theme, but with a cross-cutting impact on all ESG aspects.

Based on the above assessments, all macro-issues ("topics") proposed by the ESRS were identified as material, except for topics "E2 - Pollution" and "E3 - Water and Marine Resources" (the latter did not show any material impact or financial elements) in line with the results of the 2024 double materiality assessment.

Compared with the previous reporting year, Topic E2 – Pollution, which was material in 2024 for risk aspects and negative impacts on portfolios (related to the risks), was considered not material in 2025 in light of the developments in risk models. The methodological updates led to results that better reflect the actual composition of the Group's portfolio, further enhancing its quality.
Indeed, the assessments took into consideration elements related to the specific features of individual counterparties more extensively than in the previous year (see "Materiality assessment of risks").
In addition to the above, these developments also led to a result of immateriality for risk aspects and negative impact (related to portfolio-linked risks) also for topics "E5 – Circular economy", "S3 – Affected communities" and "G1 – Business conduct". However, in line with 2024, these topics are still material for other aspects (as detailed in the table in the next paragraph).

In addition, as shown in the detail table in the next paragraph, the upstream value chain (suppliers), which was material in 2024 for some limited risk areas (topics "E1 –– Climate change", "S2 – Workers in the value chain" and "G1 – Business conduct") and in terms of impact (topic "G1 – Business conduct"), was immaterial this year. Once again, this was due to methodological developments which enabled a more extensive consideration of the specific features of individual suppliers working with the Group, highlighting their distinctive characteristics more clearly.

Breakdown of the Group's material IROs

The impacts, risks and opportunities deemed material following the 2025 double materiality assessment are shown below for each relevant ESRS issue, indicating the related link to the value chain.

Topic	Sub-Topic	IRO Type	Value chain	IRO Description
E1 Climate change	Climate change adaptation	I+	Own operations	Contribution to climate change adaptation through the definition and adoption of policies and strategies aimed at reducing the impact of climate change on the Group's premises.
		I+	Downstream value chain	Contribution to climate change adaptation through the integration of dedicated investment/financing criteria and strategies.
		R	Downstream value chain	Exposure to counterparties that, following extreme weather events, may face difficulties in meeting their financial obligations.
	Climate change mitigation	I+	Downstream value chain	Support to companies in their transition for climate change mitigation through the adoption of investment/financing criteria and strategies and participation in dedicated initiatives.
		I-	Downstream value chain	Impact on climate change resulting from financing and/or investments in companies operating in sectors and/or countries with high levels of greenhouse gas emissions.
		R	Downstream value chain	Exposure to counterparties subject to high transition risk, which may face difficulties in meeting their financial obligations.
		O	Downstream value chain	Expansion of the Group's commercial offering through the development of new products/financing solutions aimed at supporting counterparties' transition with climate change mitigation policies.
		O	Own operations	Enhancement of the Group's brand reputation through the achievement of targets and the definition of initiatives supporting climate change mitigation.
	Energy	I+	Downstream value chain	Contribution to the reduction of energy consumption through the integration of dedicated investment/financing criteria and strategies.
		I-	Downstream value chain	Contribution to non-renewable energy consumption through lending/investment in companies operating in sectors and/or countries with high energy demand.
		R	Downstream value chain	Exposure to counterparties with a high energy cost incidence, which may face difficulties in meeting their financial obligations.
E4 Biodiversity and ecosystems	Impacts and dependencies on ecosystem services	I-	Downstream value chain	Impact on ecosystems through lending/investment to counterparties operating in sectors and/or countries with potential negative environmental impacts.
		R	Downstream value chain	Exposure to counterparties operating in sectors highly dependent on ecosystem services or potentially impacting ecosystems, which may face difficulties in meeting their financial obligations.
E5 Resource use and circular economy	- Resource inflows, including resource use - Resource outflows - Waste	I+	Downstream value chain	Support for the implementation of policies aimed at improving the circular economy profile through the integration of dedicated investment/financing criteria and strategies.
		O	Downstream value chain	Expansion of the Group's commercial offering through the development of new products/financing solutions aimed at improving resource efficiency and promoting the circular economy.

Relevant scope - Own operations · Relevant scope - Downstream value chain · Relevant scope - Upstream value chain

I+ Positive impact · I- Negative impact · R Risk · O Opportunity

Topic	Sub-Topic	IRO Type	Value chain	IRO Description
S1 Own workforce	Working conditions	I+	Own operations	Ensuring and respecting the fundamental rights of employees and their physical and psychological well-being (e.g. employment protection and industrial relations, health, safety and well-being) through the definition and implementation of dedicated safeguards and initiatives.
		O	Own operations	Attraction of new talent, enhancement of the Group's brand reputation and increased stakeholder trust through the definition of targets and policies aimed at improving employees' working conditions.
	Equal treatment and opportunities for all	I+	Own operations	Prevention of all forms of discrimination, promotion of diversity and continuous support for employee training through the implementation of dedicated safeguards and initiatives.
		O	Own operations	Attraction of new talent and increased stakeholder trust through the definition and implementation of policies aimed at ensuring equal treatment of employees and preventing all forms of violence and harassment in the workplace.
	Other work-related rights	I+	Own operations	Protection of employees' personal data through the definition of dedicated policies, collective agreements, systems and internal procedures.
S2 Workers in the value chain	Working conditions	I-	Downstream value chain	Impact on the protection of workers' fundamental rights resulting from lending or investment in companies operating in sectors and/or countries that may not ensure adequate respect for such rights.
		R	Downstream value chain	Exposure to counterparties with potentially inadequate policies to safeguard working conditions along the value chain, which may face difficulties in meeting their financial obligations.
S3 Affected communities	Communities' economic, social and cultural rights	I+	Own operations	Protection and enhancement of the local area, as well as the development of infrastructure and services for the benefit of the local context, through the implementation of dedicated initiatives.
		O	Own operations	Enhancement of the Group's brand reputation and increased stakeholder trust through the definition and implementation of objectives and initiatives aimed at safeguarding the economic, social and cultural rights of the affected communities.
S4 Consumers and end-users	Information-related impacts for consumers and/or end-users	I+	Downstream value chain	Promotion of commercial practices aimed at ensuring transparent access to clear, complete and accurate information on the products and services offered, through the adoption of dedicated policies and strategies.
		I+	Own operations	Contribution to customer protection through the adoption of measures exceeding regulatory requirements, aimed at ensuring secure and transparent management of personal data, as well as through the implementation of effective complaint-handling channels.
		R	Own operations	Potential compromise of sensitive information and data (privacy), with reputational consequences, as a result of cyber-attacks or the occurrence of unforeseen events.
		O	Downstream value chain	Increase in stakeholder trust through safeguards and initiatives aimed at ensuring customers' freedom of expression and promoting transparent access to clear and complete information on the products and services offered.
	Personal safety of consumers and/or end-users	I+	Own operations	Protection of the health and safety of consumers and end users within the Group's branches and offices through the definition and implementation of dedicated safeguards.
	Social inclusion of consumers and/or end-users	I+	Downstream value chain	Promotion of ethical and transparent commercial practices, fostering fair and informed access to the products and services offered through the adoption of dedicated policies and strategies.
		O	Downstream value chain	Expansion of the customer portfolio through the development of products and services that facilitate access for all social categories of customers, including the most vulnerable.

Relevant scope - Own operations Relevant scope - Downstream value chain Relevant scope - Upstream value chain

I+ Positive impact I- Negative impact R Risk O Opportunity

Topic	Sub-Topic	IRO Type	Value chain	IRO Description
G1 Business conduct	Corporate culture	I+	Own operations	Promotion of a corporate culture based on high ethical standards and regulatory compliance (e.g. tax, anti-money laundering) through the adoption of dedicated internal policies.
	Protection of whistle-blowers	I+	Own operations	Protection of individuals reporting violations (whistleblowers) through the adoption of safeguards ensuring confidentiality and preventing personal and/or professional retaliation.
	Political engagement and lobbying activities	I+	Own operations	Promotion of ethical and responsible practices, including through lobbying activities conducted in compliance with stringent internal policies and control mechanisms.
	Corruption and bribery	I+	Own operations	Promotion of an ethical culture and prevention of active and passive corruption through the development of dedicated internal policies.

Relevant scope - Own operations; Relevant scope - Downstream value chain; Relevant scope - Upstream value chain

I+ Positive impact; I- Negative impact; R Risk; O Opportunity

In the subsequent chapters, the impacts, risks and opportunities that were identified and analysed and that led to the materiality assessment of the above topics and sub-topics are described for each topic. In brief, the analyses conducted confirmed the resilience of the Group's strategy and business model, also considering that the potential expected negative impacts associated with ESG risk factors are managed through appropriate actions (developed and/or planned) which are aimed at mitigating risks, capitalising on opportunities and supporting the Group's sustainability with a long-term perspective.

Governance structure

Role and composition of the administration, management and control bodies and of sustainability governance[86]

The Parent Company Intesa Sanpaolo has adopted the “one-tier” management and control model, whereby management and control duties are performed, respectively, by the Board of Directors and the Management Control Committee set up within it, both appointed by the Shareholders’ Meeting.

Detailed information on the corporate governance system and remuneration – including references to diversity in the Board of Directors – is provided in the "Report on Corporate Governance and Ownership Structures" and in the "Report on remuneration policy and compensation paid" available on the Bank’s website.

Board of Directors: role and main characteristics

The Board of Directors is responsible for exercising the Company’s guidance and strategic supervision duties and for resolving on all the most important corporate actions, with the power to undertake all transactions considered necessary, useful or appropriate in achieving the corporate purpose, of both an ordinary and extraordinary nature, and to adopt all decisions reserved to it by law, by the Articles of Association and by the regulations. In specific cases and in the manner provided for by law and the Articles of Association, the most significant management decisions are submitted to the Shareholders’ Meeting for approval.

The Chair of the Board of Directors oversees the work of the Board, organises and directs the activity and performs all the tasks envisaged by the supervisory legislation and the Articles of Association. He/She has a non-executive role and does not carry out, not even de facto, management functions.

The Managing Director and CEO is also the General Manager and supervises the company’s management to the extent of his/her assigned powers, in compliance with the general planning and strategic guidelines set forth by the Board.

The Management Control Committee, appointed by the Shareholders' Meeting, is part of the Board of Directors and is made up of five independent Directors pursuant to applicable regulations and the Articles of Association and exercises the control functions also as an internal control and audit committee (pursuant to Legislative Decree no. 39/2010).

The Board of Directors has established five internal committees, whose members are appointed by the Board itself from among its members, with assessment, advisory and propositional tasks:
- Nomination Committee;
- Remuneration Committee;
- Risk and Sustainability Committee;
- Committee for Transactions with Related Parties;
- Governance Committee[87].

[86] The information on the governance structure set out in this paragraph is reflected in the “Corporate Governance and remuneration policies” section of the Report on operations which accompanies the consolidated financial statements.
[87] The Governance Committee was established by the Board of Directors at the meeting of 6 May 2025, pursuant to Article 28 of the articles of association.

Composition of the Board of Directors
The Ordinary Shareholders' Meeting of 29 April 2025 set the number of members of the Board of Directors at 19, appointing directors for the three-year term of office on the basis of the lists submitted by shareholders, in line with the national legislation for listed companies.

All directors are non-executive, with the exception of the Managing Director and CEO (18 non-executive members and 1 executive member).

The Directors meet the suitability requirements required by the applicable legislation and the provisions of the Articles of Association. Specifically, all Directors meet the independence of mind requirement, as defined by banking legislation, and at least two thirds of the directors meet the qualified independence requirement defined by the special legislation for banks and listed companies and Intesa Sanpaolo's Articles of Association (in this term of office, there are 14 independent directors, i.e. 74% of all members of the Board).
All Board Committees are composed of five non-executive Directors, the majority of whom are independent, with the exception of the Committee for Transactions with Related Parties, which is entirely composed of independent Directors. All the committees required by supervisory regulations (Nomination Committee, Remuneration Committee, Risks and Sustainability Committee and Committee for Transactions with Related Parties) are chaired by independent Directors.

Minority shareholders are adequately represented in the Board of Directors (5 members, representing 26% of the total, were appointed from the slate submitted by minority shareholders) and, in the current Board structure, they are present in all Board Committees required by supervisory regulations. In addition, the Directors representing the slate submitted by minority shareholders chair the Management Control Committee, the Remuneration Committee and the Committee for Transactions with Related Parties. No employees' representatives were appointed in the Board as permitted by the law and the Articles of Association.

Without prejudice to the legislation on public incompatibilities, it is noted that one Director has held a position in the public administration similar to that held in administrative, management and control bodies in the two years prior to taking on the current mandate.

Competences and diversity
According to Intesa Sanpaolo's Articles of Association, the Board shall adopt the necessary measures to ensure that each Director, and the Board as a whole, have a continually adequate level of diversification, including in terms of experience, age, gender and international orientation, in addition to competence, reputation and fairness, independence of mind, and time commitment.

In the document on the qualitative and quantitative composition of the Board of Directors published on the Bank's website in February 2025, in view of the renewal of the Corporate Bodies which took place with the ordinary Shareholders' Meeting of 29 April 2025, the shareholders were asked to ensure that the Board of Directors had the broadest gender diversity with adequate professional skills, as well as a diversity of age brackets and term of office amongst directors, in addition to a comprehensive level of knowledge and experience.

The less-represented gender in the Board of Directors must be reserved a share of at least two fifths of the total members, as established by currently applicable laws on the matter of equal access to the management and control bodies of listed companies. In the current structure, there are 8 women, accounting for 42% of Directors, i.e. the female ratio is 0.73[88]. In the current Board structure, the female gender is represented within all the Board Committees, making up 60% of the members of the Nomination Committee, the Remuneration Committee and the Committee for Transactions with Related Parties and has the chairmanship of 3 committees (Risks and Sustainability Committee, Remuneration Committee and Nomination Committee).

With reference to age, 21% (4) of the Directors are aged 55 or under, 37% (7) of Directors are aged between 56 and 65, 42% (8) are over 65.
With respect to length of service, two Directors are in their fifth term of office, one Director in their fourth, five Directors in their third, three Directors in their second and eight Directors in their first.

The Board of Directors assessed its composition as adequate, including in terms of diversity, and suitable for a properly balanced composition of the Board Committees.

Senior officers of the subsidiaries are nominated by the Board of Directors, which operates according to uniform policies and principles at Group level and in compliance with the regulations and best practices applicable to each subsidiary, with specific importance given to the level of diversity, including in terms of age, gender, seniority of service, geographical origin and international orientation. In establishing the composition of the Bodies, the most adequate and effective mix of personal and professional profiles is sought for each subsidiary in terms of its nature, the structure of its activities and the risks taken. To this end, any indications made by the Management Body of each subsidiary during the annual self-assessment process are taken into account.

With reference to the appropriateness and diversity of the professional profiles required, in accordance with the Articles of Association, at least four members shall be enrolled with the Register of Statutory Auditors and shall have practised as auditors or acted as members of a limited company control body for at least three years. In the current composition of the Board of Directors, 7 Directors (or 37%), including all members of the Management Control Committee, meet this requirement. In

[88] Number of women sitting on the BoD compared to the number of men.

accordance with the Articles of Association, they shall also meet a professional qualification requirement which reflects the special relevance of the experience gained.

Furthermore, in the document on the quali/quantitative composition, the Board of Directors outlined the set of very good or distinctive expertise, knowledge and skills – with a very wide[89], medium-wide[90] or limited[91] distribution – considered appropriate to achieve the optimal overall qualitative composition of Intesa Sanpaolo's Board of Directors, in a "Skills Directory" for the 2025-2027 term of office.

In general, the Directors possess the expertise required for all areas covered by applicable legislation. Furthermore, the surveys carried out when the Corporate Bodies were renewed show that expectations regarding a medium level of distribution of distinctive or very good expertise were widely met in all areas considered most material by legislation, as well as in the other key area indicated by the Board.
In particular, in line with the guidelines for shareholders, in April 2025, the Directors declared that they possessed expertise and skills at a very good/distinctive level in the areas listed below.

Required distribution	Areas of expertise
very wide (>50%)	• knowledge of sustainability issues (84%) • interpretation of a credit institution's financial data, identification of the main issues based on that information as well as appropriate controls and measures (89%) • strategic planning, awareness of a credit institution's corporate strategic guidelines or business plan and related implementation (89%) • knowledge of banking and financial products (89%) • banking and financial markets (89%) • organisational and corporate governance structures and assessment of the effectiveness of the credit institution's governance mechanisms, aimed at ensuring an effective system of supervision, management and control (79%) • regulatory framework of the banking and financial sector (95%) • internal control systems and other operating mechanisms (84%) • risk management (identification, assessment, monitoring, control and mitigation methods of the main types of risk of a credit institution, including the representative's responsibilities in those processes) (84%) • knowledge of global dynamics of the economic and financial system (95%)
medium wide (50%-25%)	• climate-related and environmental risks (58%) • information & digital technology (47%) • wealth management (63%) • prevention of money laundering and terrorist financing (89%) • international experience (84%)
limited distribution (<25%)	• insurance markets and products (37%)

Several Directors also hold positions on the Boards of Directors of leading Italian universities as well as on the Boards of foundations and non-profit sector bodies active in the fields of art and culture, health, research, environment, support for poverty and professional training. Furthermore, a Director, as well as Chair of the Risk and Sustainability Committee, holds the same position in another listed company.

Following the renewal of the Bodies in 2025, the characteristics declared by the Directors were assessed by the new Board as appropriately diversified and suitable to ensure adequate Board composition and a well-balanced composition of the Board Committees.

Board induction
The skills and expertise were subsequently strengthened and supplemented on the basis of training programmes as well as of intensive induction activities for both the new directors (onboarding) and the entire Board.

With the support of the Nomination Committee, the Board of Directors shall ensure the implementation of induction and training programmes for its members. In this context, following the Chair's indications, Board Members' participation in initiatives is promoted to enhance the degree of knowledge of the operating sectors of the Bank and of the Group companies, company dynamics and their development, the principles of sound risk management and the regulatory and self-regulatory environment of reference, and in formal and informal meetings, aimed at further review of strategic matters.

The induction plans are drawn up periodically following (i) the first assessment carried out after appointment and (ii) the self-assessment carried out annually by the Board of Directors. In any event, Directors are given the opportunity to make individual requests for training in a specific area, whenever they consider it necessary.

[89] Expertise required for more than 50% of Directors.
[90] Expertise required for between 25% and 50% of Directors.
[91] Expertise required for less than 25% of Directors.

During the annual self-assessment, the Board, with the support of the Nomination Committee, expresses its opinion on the implementation and quality of the induction plan implemented, also to help refine the process and strengthen the quality of training.

In 2025, 9 induction sessions were held for Directors (of these, 5 during the term of office of the previous Board of Directors), in addition to 11 onboarding sessions intended, in particular, for newly appointed Directors. With respect to specific ESG issues, in particular, there were some sessions on the evolution of the ESG framework and 4 brainstorming meetings on the new Business Plan.

As a result of the self-assessment process carried out in 2025, the Board of Directors expressed extremely positive evaluations of the induction activities carried out during the year in terms of the size, level of detail and relevance of the topics covered.

To promote better understanding of the applicable corporate and regulatory framework and its development, a collection of governance documents, regulatory references, key correspondence with the Supervisory Authorities, accounting positions and any additional documentation conducive to the performance of their duties is also available to Board Members – and regularly updated – through a dedicated electronic platform.

The Board of Directors receives periodic reports from the corporate control functions on their activities, which illustrate the checks carried out, the results achieved, the weaknesses found and the proposals for action to be taken to eliminate them within the various company areas. These reports shall also cover anti-corruption and AML issues.

Sustainability governance

The main ESG responsibilities of Intesa Sanpaolo Bodies and Structures are specified below in line with the Articles of Association, the Bodies' regulations and the Group's internal regulations.

For information on the role of the administrative, management and supervisory bodies in relation to business conduct, reference should be made to the information provided in the various paragraphs of chapter G1 "Business conduct", which covers the individual topics described.

Board of Directors	The Board of Directors, with the support of the Risk and Sustainability Committee: • defines and approves sustainability (ESG) strategies and policies, including the social and cultural responsibility model and combating climate change - taking into account the objectives of sound and sustainable value creation and distribution for all stakeholders; • defines and approves the risk objectives, incorporating sustainability-related risks (ESG) – in particular climate and environmental risks – in its risk appetite framework; • examines and approves the results of the impact and financial materiality assessment that identifies those environmental sustainability, social and governance aspects that are material with regard to the impacts, risks and opportunities considered, consistent with applicable regulations; • examines and approves the Consolidated Sustainability Statement, ensuring that it is prepared and published in accordance with the applicable regulations, after review by the Management Control Committee as well as any other significant report in this area; • examines the annual report submitted by the Manager responsible for preparing the company's financial reports on sustainability risk monitoring and the periodic reports submitted by the corporate control functions; • examines and approves the updates to the Code of Ethics, the Code of Conduct and the policy setting out Diversity, Equity & Inclusion principles. The Board of Directors' Regulations state that Directors have a duty to contribute to creating value for shareholders with the aim of delivering medium- and long-term sustainability, also taking into account the interests of other stakeholders relevant for the Company, in accordance with the principles of sound and prudent management and with the reference principles and values adopted by the Bank. In 2025, the Board of Directors met 23 times. Of these, 15 meetings also covered ESG matters.
Risk and Sustainability Committee	It supports the Board of Directors in the performance of all the above tasks, focusing, in particular, on: • the assessment and investigation of sustainability (ESG) matters related to the Bank's business operations; • the approval of the list of ESG-sensitive sectors relevant to the Group's financing activities; • the assessments and resolutions to be made in respect of the sustainability impact and financial materiality assessment, including for the purposes of approving the Consolidated Sustainability Statement. This analysis identifies the environmental sustainability, social and governance aspects that could be potentially relevant given the impacts, risks and opportunities considered, consistently with applicable regulations, as well as the related methodology. • checking the Group's positioning with respect to national and international sustainability best practices, specifically with respect to Intesa Sanpaolo's participation in the main sustainability indices. Furthermore, the Committee is informed by the Manager responsible for preparing the Company's financial reports on an annual basis about the controls over the risk of sustainability reporting. In 2025, the Risk and Sustainability Committee met 44 times. Of these, 15 meetings also covered ESG matters. The support that the Committee provided to the Board in exercising its strategic supervision functions on sustainability, as well as in setting and monitoring climate and environmental risk objectives, is cross-sectoral and was also ensured when examining the areas of governance and risk management, business model and strategic guidelines and the most significant transactions for risk management procedures. The members of the Risk and Sustainability Committee must have the knowledge, skills and experience necessary to be able to fully understand and monitor the Bank's risk strategies and guidelines, including with respect to sustainability.

Management Control Committee	The Management Control Committee, • in liaison with the corporate functions responsible for the sustainability issues (ESG) and the Internal Auditing function, supervises the compliance with the principles and values contained in the Code of Ethics; • with respect to the Consolidated Sustainability Statement, supervises compliance with the provisions of Legislative Decree no. 125/2024 and reports on this in its annual report to the Shareholders' Meeting, and examines the Consolidated Sustainability Statement in exercising its supervisory functions, in advance of the Board of Directors' meeting; • examines the annual report submitted by the Manager responsible for preparing the company's financial reports on sustainability risk monitoring and the periodic reports submitted by the corporate control functions. Furthermore, the Committee carries out the duties covered by Legislative Decree no. 39/2010, acting as the Control and Audit Committee.
Managing Director and CEO	The Managing Director and CEO • governs sustainability performance; • exercises the power to submit proposals to the Board of Directors for the adoption of resolutions within its remit; • ensures the consistency of the risk management process with the risk appetite and the relevant risk governance policies; • is informed by the Manager responsible for preparing the Company's financial reports on an annual basis about the controls over the risk of Sustainability Reporting; • provides, jointly with the Manager responsible for preparing the Company's financial reports, the legally-required certifications about financial and sustainability information required by law.

The Internal governance structures involved in the management and control of ESG risks are shown below. They ensure the application of controls in compliance with regulatory requirements and in line with the Group's business operations and the context in which it operates.

Steering Committee	The Steering Committee, which plays a central role, assists the Managing Director and CEO and is a Group management body with a decision-making, reporting and consulting role, composed of the Managing Director and CEO, who chairs the committee, and the top management, including the heads of Governance Areas and Divisions. In the context of the Business Plan and Sustainability (ESG) Session, the Committee: • collaborates, taking into account the objectives of solid and sustainable creation and distribution of value for all stakeholders, in the definition of strategic guidelines and sustainability policies (ESG), including the model of social and cultural responsibility and the fight against climate change, which the Managing Director and CEO submits to the relevant Board Committees and the Board of Directors; • collaborates in identifying and updating potentially relevant environmental sustainability, social and governance matters in relation to the impacts, risks and opportunities considered, consistent with applicable regulations, as part of the impact and financial materiality assessment; • examines the Consolidated Sustainability Statement and any other significant report on sustainability matters, prior to its submission to the Board of Directors; • guides the consistency of technological development with the Group's ethical principles, particularly with specific reference to artificial intelligence/machine learning. The Committee meets at least on a quarterly basis in the context of the Business Plan and Sustainability (ESG) Session. In 2025, the Steering Committee met 17 times (of which 6 were circular resolutions[92]) during the "Business Plan and Sustainability (ESG)" session, covering issues with ESG impacts. Specifically, these sessions provide quarterly monitoring of strategic initiatives related to the 2022-2025 Business Plan.
Group Control Coordination and Non-Financial Risks Committee	In the Operational Risk session, the Group Control Coordination and Non-Financial Risks Committee examines the main ESG risk profiles, which are or could be reflected in the operational and reputational risk exposure. This session, chaired by the Chief Risk Officer, is attended by the heads of the Group's corporate control functions, the relevant Governance Areas and the Manager responsible for preparing the Company's financial reports.

Every quarter, the Steering Committee and the Group Control Coordination and Non-Financial Risks Committee report to the Board of Directors on their activities, enabling the Board to play an oversight role on the main issues covered.

The Governance Area of the Chief Financial Officer includes the responsibility for preparing the Consolidated Sustainability Statement, as well as monitoring and interpreting the development of relevant European and national legislation, as well as defining and subsequently updating the resulting methodological rules.

Set up in 2024, the Governance Area of the Chief Sustainability Officer (the "CSO") reports to the Managing Director and CEO and its mission is to drive the development strategies on sustainability. It has the following main functions:
- ensure the development and implementation of the Group's ESG strategy, also helping to identify specific actions and initiatives, and new business opportunities; collaborating on ESG reporting and promoting the dissemination of social, sustainability and innovation culture;
- play an active role in the development and promotion of the local areas and communities in which the Group operates, supporting non-profit organisations and promoting social inclusion initiatives and educational interventions;

[92] Pursuant to the CoDi Regulations, "Circular Resolutions" mean: decisions adopted solely on the basis of the determinations expressed by participants in writing by email and recorded in the minutes of the first subsequent meeting of the relevant session, together with the supporting documentation. The ordinary procedures for holding the meeting remain in place, at the request of even just one of the participants with voting rights in the session.

- promote the innovation of businesses and territories as a key factor for sustainable development through applied research and support for start-ups, open innovation, the transition to the circular economy and the development of innovation ecosystems;
- promote the Group's historical, artistic, architectural, and archive assets to contribute to the civil and cultural growth of the local areas and communities it serves, ensuring their protection and appreciation.

The CSO Governance Area also includes that of the Chief Social Impact Officer (CSIO) Governance Area, which directs, governs and implements social impact initiatives and projects, promotes the well-being and inclusion of people and the community, and directs, coordinates and oversees initiatives to mitigate the direct environmental impacts generated by the Group.

The CSO Governance Area oversees the ESG Control Room (the "Control Room"), a collegiate managerial body established in October 2020 to support the Steering Committee in carrying out its ESG-related activities and renewed in 2024 with the aim of strengthening its role, particularly in terms of the tasks and responsibilities related to strategic proposals in the ESG area. The Control Room is chaired by the Chief Sustainability Officer and its members are the heads of the Governance Areas and Divisions (some permanently, the Chief Financial Officer and the Chief Risk Officer, others on request). The ESG Control Room meets whenever necessary, in any case at least every six months. The Chair of the Control Room reports whenever necessary, directly or through their delegates, to the Steering Committee on the assessments and activities carried out by the Control Room.
Its role is to promote ESG business policies and strategies, monitor the achievement of objectives and examine any necessary actions to achieve results.

The main functions of the ESG Control Room are listed below:
- support the Steering Committee in the Business Plan and Budget processes, in reviewing and assessing proposals about relevant ESG directions and initiatives at Group level, while assessing priorities, metrics and targets (KPIs);
- analyse policies, including the Group's social and cultural responsibility model to combat climate change;
- make assessments on proposals for the Group's ESG commitments and key business implications;
- make assessments and provide indications about proposals to join the main voluntary initiatives and the related plan of activities necessary to achieve the resulting objectives, monitoring the progress of activities and results. Furthermore, assess the main social initiatives at Group level;
- analyse the main ESG reports, including monitoring of initiatives, key ESG targets/goals (Plan and Budget KPIs), and identification of key elements prior to the preparation of ESG disclosure;
- analyse and comment, where necessary, on the integration of ESG criteria into equity investments and credit strategies;
- analyse the external context, sharing the results of ESG regulation monitoring activities and the analyses on the potential impacts of ESG trends, also with reference to other players;
- receive information on relevant requests received from Regulators or Authorities in the ESG area reported by the reference functions (Divisions and Governance Areas) and the related feedback if these involve the submission to the Bank's Bodies.

The ESG Control Room operates and discusses initiatives and relevant topics with the assistance of the following Panels:
- ESG Coordination Panel, launched in 2020 and formerly known as the ESG Control Room. Its main purpose is to share, update and monitor ESG activities and goals, with the collective participation of all Governance Areas and Business Divisions through Sustainability Managers;
- Sustainable Investment and Insurance Panel, active since 2022 and previously named Sustainable Investment ESG Control Room. It ensures comprehensive oversight of the ESG initiatives of the Wealth Management Divisions;
- Social Impact Panel, set up in June 2025. It is focused on the coordination and strategic direction of social initiatives, as well as the review, monitoring and sharing with internal stakeholders of relevant projects and specifically related topics, in order to optimise and promote interrelations between the various functions concerned.

The Panels support the ESG Control Room in defining strategies and formalising priority Business Plan targets in the ESG area. They also contribute to controlling the Group's ESG performance by sharing responsibility for monitoring the main sustainability KPIs and levels of achievement of the ESG targets set out in the Business Plan.

The ESG Panels meet whenever necessary, with a minimum frequency ranging from every quarter to every six months.

The Control Room and the Panels operate with the assistance of the Sustainability Managers. They are appointed by the head of each Governance Area/Division usually from among their first reporting line, and, to the extent of their remit, monitor ESG matters with respect to the relevant Governance Area/Division, including any Group company that belongs to it.

The head of the CSO Governance Area chairs the ESG Control Room and the related Panels, except for the Social Impact Panel which is chaired by the head of the Chief Social Impact Officer Governance Area. The delegates of the CSO Governance Area coordinate the related activities with the ESG Control Room and the Panels.

The Chief Risk Officer (CRO) Governance Area defines, develops and updates the ESG risk management and assessment system. As part of the Risk Appetite Framework, and in view of the subsequent submission to the Corporate Bodies, a level of ESG (including climate change) and reputational risk tolerance is proposed, defining specific exposure limits, risk indicators, and actions to be monitored and updated. The Board of Directors approves the updates to the Risk Appetite Framework.
The CRO Governance Area also heads climate risk identification, assessment and management processes.
Finally, the CRO Governance Area includes a specific function which periodically reports on the overall status of the ISP Group's risks via a "Tableau de Bord of Risks". The latter document includes a section about reputational and ESG risks in order to

monitor compliance with the risk appetite limits and informs top management and the competent department structures about its performance.
As required by internal ESG legislation defining the responsibilities of the Board of Directors, the Board Committees, the Managing Director and CEO and the managerial committees, sustainability IROs are taken into account both when defining and monitoring the corporate strategy and in the context of risk management processes. In 2025, the Board of Directors confirmed the Group's commitment to climate transition and promoted the definition of new operational tools to support communities in order to strengthen the Intesa Sanpaolo Group's positioning in terms of social responsibility. With respect to compliance and risk management, the Board of Directors examined and approved the Risk Appetite Framework and the most relevant internal legislation.

Material sustainability IROs are regularly discussed by the Board of Directors, the Risks and Sustainability Committee and the Steering Committee during the year and are brought to their attention by various reporting structures (and any assisting structures, where necessary) according to the relevant topic. In particular, in 2025, the following structures reported on sustainability issues:
- the Chief Sustainability Officer (CSO) Governance Area;
- the Chief Financial Officer (CFO) Governance Area;
- the Manager responsible for preparing the Company's financial reports;
- the Chief Risk Officer (CRO) Governance Area;
- the Chief Institutional Affairs and External Communication Officer (CIAECO) Governance Area;
- the Chief People & Culture Officer (CPCO) Governance Area.

The main sustainability IROs discussed in 2025 by the Board of Directors and the board and management Committees in charge of ESG issues are as follows:
- governance of reputational risks;
- governance of climate-related and environmental risks;
- promotion of an appropriate corporate culture and of the principles of social and environmental responsibility;
- diversity, equity and inclusion;
- health and safety of workers;
- support to communities and enhancement of local areas.

Incentive systems linked to sustainability factors[93]

The Managing Director and CEO is the only executive member of the Board of Directors and, therefore, is the only beneficiary of an annual Incentive System and a long-term Incentive Plan for the role of General Manager. These systems also include sustainability-related metrics.

Structure of the annual incentive system

The annual Incentive System[94] is formalised through a Performance Scorecard with both financial and non-financial KPIs. Specifically, quantitative KPIs (financial and non-financial) are clustered within 4 drivers (Growth, Profitability, Productivity and Cost of Risk/Sustainability), while the (non-financial) qualitative KPIs are divided into strategic actions or projects that represent the enabling factors for the achievement of the financial KPIs or contribute to the achievement of the Plan objectives. The latter objectives are usually reported by identifying ex-ante drivers that guide the subsequent assessment. With respect to non-financial quantitative KPIs, similarly to the previous years, the Group's Environmental, Social and Governance transversal KPI was assigned in 2025.
Each KPI is assigned a weight equal to at least 10% to ensure the significance of the objective, and no more than 30% to guarantee appropriate weighting of the numerous objectives. The accrual period is annual.
The total bonus due to the Managing Director and CEO is allocated based on the assessment of the results of the individual performance scorecard, according to a deterministic calculation.
In any case, it is subject to verification of the gateway conditions required by the Regulator – aimed at verifying capital strength and liquidity against the limits set out under the RAF as well as the financial sustainability of the variable component with respect to the available economic and financial resources – and to verification that there are no so-called individual compliance breaches – i.e. individual access conditions that control conduct risk. The bonus is also subject to corrective mechanisms.
The premium is paid partly in cash and partly in Intesa Sanpaolo shares and is disbursed over a five-year deferral horizon.
Each deferred portion is subject to an ex-post adjustment mechanism – the so-called malus conditions – according to which the relative amount recognised and the number of financial instruments assigned, if any, may be reduced, even to zero, in the year in which the deferred portion is paid, in relation to the level of achievement of the gateway conditions set by the Regulator.
Furthermore, in the five years following the payment of the individual instalment (up-front or deferred) of variable remuneration, the company reserves the right to activate claw-back mechanisms.

Structure of the Long-Term Incentive Plan

The CEO is also a beneficiary of the Long-Term Incentive Plan (PSP), which is also awarded to the remaining Management (around 3,100 beneficiaries). The Plan is based on shares awarded upon the achievement of specific performance targets that

[93] The information on the governance structure set out in this paragraph is reflected in the "Corporate Governance and remuneration policies" section of the Report on operations which accompanies the consolidated financial statements.
[94] For additional information about incentive systems, reference should be made to the Report on remuneration policy and compensation paid, available on the Group's website.

are consistent with the Business Plan (i.e. PON/RWA, Cost/Income, NPL ratio and relative TSR) and whose levels correspond to those set in the Plan itself.
There are also two bonus de-multipliers:

- Composite ESG KPI, consisting of a sub-KPI for each of the three ESG factors (Environmental, Social and Governance) whose target level is defined in the 2022-2025 Business Plan. This acts as a de-multiplier by reducing the number of possible shares accrued by 10%-20% depending on the degree of any failure to achieve the 2022-2025 Business Plan targets;
- Capital target: measures the maintenance of CET 1 levels above the target defined in the Group's RAF over the Plan's time horizon. It acts as a de-multiplier by reducing the number of shares vesting at the end of the Plan by 10% for each year of breach (up to a maximum reduction of 40% over the entire Accrual Period).

The Plan is subject to verification of the gateway conditions and the absence of individual compliance breaches. 60% of any bonus earned is deferred over a five-year horizon and, depending on the impact on fixed remuneration, 60%-55% is allocated in shares subject to a retention period (the remainder is allocated in shares not subject to a retention period). Malus and clawback conditions also apply.

The ESG Component in CEO Incentive Plans (Annual and Long-Term)
With regard to the variable remuneration of the Managing Director and CEO, the ESG component is of central importance and, as mentioned earlier, is included both in the annual incentive system through the provision of a specific KPI, and in the long-term Performance Share Plan in which an ESG composite KPI is envisaged that acts as a de-multiplier of any bonus earned.
Within the annual Incentive System, the ESG KPI – present since 2021 and representing an evolution from the previous cross-cutting "Diversity & Inclusion" KPI – has been assigned to the CEO's Performance Scorecard, consistent with the Bank's growing commitment to social, cultural and environmental sustainability and the goal of creating long-term value for its people, customers, community and environment as well as in line with the increasing focus on these issues by Regulators, Proxy Advisors, Shareholders and Group Stakeholders. Moreover, a cross-Group ESG KPI is also assigned to about 3,000 Group managers in Italy abroad with a weight of 10% or 15%.

The ESG KPI of the CEO (with weight of 15%) is assessed on the basis of specific drivers:

- presence of Intesa Sanpaolo in the sustainability indices of specialist companies (no. of presences);
- promotion of an inclusive work environment through the identification and implementation of targeted management actions, with a particular focus on meeting the commitments in terms of gender equity assigned to each Division/Governance Area: i) in annual hires; and ii) in the pool of candidates for first appointment to managerial roles;
- group ESG initiatives:
    - support for the green economy and circular economy: i) development of ESG related-commitments for the Corporate boundary (€); and ii) support for Green Mortgages and Social Lending by Banca dei Territori (€);
    - growth in Sustainable Investments through the impact of ESG investments on total AuM (%);
    - youth orientation and employability initiatives.

In the PSP long-term incentive plan there is a composite KPI that, in an effort to promote the pursuit of sustainability, acts as a de-multiplier as mentioned in the previous section. The KPI consists of a sub-KPI identified in the Business Plan for each of the 3 factors comprising ESG, namely:

- Environmental: new loans for the green/circular economy and the ecological transition with a special focus on supporting the Corporate/SME transition (weight 40%);
- Social: number of people who successfully completed the re-skilling and up-skilling programmes with reallocation in new job roles in the case of the former95 (weight 40%);
- Governance: percentage of women in new appointments to senior positions, i.e. -1 and -2 organisational levels below the CEO (weight 20%).

Moreover, note that the same ESG composite KPI is included in the LECOIP 3.0 Plan, the long-term incentive plan dedicated to Professionals in Italy, which 45,629 people have signed on to (about 63% of those entitled) and which is based on Certificates having Intesa Sanpaolo shares as the underlying asset. Specifically, in this case, the KPI recognises a minimum return (of 4%) on the capital initially allocated upon the Group's achievement of that KPI. If the indicator is not achieved, the amount that would have been paid to employees will be invested by the Bank in ESG projects that contribute to the achievement of the ESG objectives concerned.

The annual Incentive System and the long-term Performance Share Plan are approved by the Shareholders' Meeting, upon proposal of the Board of Directors supported by the Remuneration Committee. Moreover, the Risk and Sustainability Committee, without prejudice to the prerogatives of the Remuneration Committee, supports the Board of Directors and examines them in order to check their connection with current and prospective risks.

Risk management and internal controls over Sustainability Reporting

The Intesa Sanpaolo Group adopts an internal control system based on three levels, in line with the legal and regulatory provisions in force. The model has the following types of control:

- Level I: line controls which are aimed at ensuring proper performance of operations (for example, hierarchical, systematic and sample-based controls) and which, to the extent possible, are incorporated in the IT procedures. They are carried out by the same operating and business structures, including through units dedicated exclusively to control duties reporting to the heads of the same structures or performed as part of the back office.

[95] That is, on the positions held consistently with the new expertise acquired.

- Level II: consists of risk and compliance controls to ensure, inter alia: (i) the correct implementation of the risk management process, (ii) observance of the operating limits assigned to the various functions and (iii) compliance of company operations with the rules, including self-governance rules. The functions assigned to such controls are separate from the ones in charge of production and contribute to the definition of the risk governance policies and the risk management process. In the Intesa Sanpaolo Group, Level II includes the following Parent Company structures and the equivalent local units of the Group companies, where established:
  - Chief Compliance Officer Governance Area, which is assigned the tasks and responsibilities of the "regulatory compliance function (compliance)";
  - Chief Risk Officer Governance Area, which is assigned the tasks and responsibilities of the "risk control function (risk management)".
- Level III: internal audit controls to identify breaches of procedures and regulations, as well as to periodically assess the completeness, adequacy, functionality (in terms of efficiency and effectiveness) and reliability of the internal control system and the IT system at Group level, at scheduled deadlines in relation to the nature and intensity of the risks.

The Group has therefore put in place a structured system of controls and responsibilities to ensure the compliance of Consolidated Sustainability Reporting with the applicable legislation from a risk-based perspective, aimed at managing the risks associated with reporting sustainability information to third parties.
The structures involved in the control system perform specific activities, which are detailed in internal Group documents and aimed at ensuring the quality and compliance of Consolidated Sustainability Reporting throughout all stages of the process. These control activities are directly related to the main types of risks identified and represent forms of risk mitigation. Specifically:

- when defining the work plan and the structure of the Report, the controls focus on the analysis and interpretation of the relevant legislation, the correct definition of the scope of consolidation and the verification that the double materiality assessment is complete and accurate, with a clear identification of its results;
- during the collection of information and the preparation of contributions, control activities include the verification of data sources and the loading of information through formal systems and procedures aimed at verifying the completeness, accuracy, consistency and comprehensiveness of such information by the respective contributors and validators;
- finally, in the aggregation and finalisation phase of the Consolidated Sustainability Statement, the outcomes of the contribution and validation process are verified, the correctness of the metrics is checked and the information on policies, actions and targets is harmonised, ensuring that the final document meets regulatory and quality requirements.

The controls over compliance of the Consolidated Sustainability Statement with the reporting standards established by the CSRD, are carried out by the Manager responsible for preparing the Company's financial reports, in compliance with the provisions of Article 154-bis of the Consolidated Law on Finance and the related implementing provisions. In order to comply with the aforesaid provisions, the Manager responsible for preparing the Company's financial reports:

- performs a steering and coordination role over the Group as a whole with respect to sustainability as well as controls over the internal control system functional to the preparation of the Consolidated Sustainability Statement;
- issues the instructions for the preparation of the Consolidated Sustainability Statement;
- verifies the appropriateness of the procedures functional to the preparation of the Consolidated Sustainability Statement, as well as the effectiveness of the control system necessary to ensure legally-required certifications;
- maintains a system of contact and information flows with the function of the Parent Company and of the Group companies, in order to ensure the information necessary to draw up the Consolidated Sustainability Statement is prepared in compliance with the reporting standards adopted in accordance with the CSRD.
- oversees the internal control system on the sustainability reporting process:
  - expressing a preliminary opinion on the appropriateness of the changes to the existing organisational structure (internal regulations) that have an impact on the appropriateness of the design of relevant procedures;
  - preparing audit plans aimed at ensuring the appropriateness and effective application of the relevant procedures of the Parent Company over the period, by significant investees and subsidiaries subject to the laws of non-European Union countries in accordance with Art. 15 of the Consob Market Regulation;
  - monitoring the projects whose implementation impacts the production and control procedures for disclosure purposes;
- periodically reports on the scope and results of the assurance activities performed, to the Risks and Sustainability Committee, the Management Control Committee and the Board of Directors.

Moreover, the Manager responsible for preparing the Company's financial reports performs the verification and monitoring, through the structures reporting to him/her, designed to ensure that the Consolidated Sustainability Reporting included in the report on operations has been prepared in compliance with the reporting standards adopted in accordance with the CSRD.

This integrated system ensures an effective, transparent management of Consolidated Sustainability Reporting that is aligned with regulatory requirements and quality standards defined by the Group.

Risk assessment and internal controls relating to Sustainability Reporting have therefore been integrated within the functions identified by the new internal regulatory framework defined by the ISP Group.

The results of the control and risk assessment activities will subsequently be communicated to the administrative, management and control bodies, as envisaged in the aforementioned framework.

Indeed, the Manager responsible for preparing the Company's financial reports brings to the Board of Directors' attention an annual report on the controls over the sustainability statement risk, which is included in the "Report on the internal control system for the financial reporting process", while the corporate control functions submit their own periodic reports.

Environmental disclosures

ESRS E1 – Climate change

Resilience Assessment[96]

Using an in-depth analysis of external factors such as global sustainability trends, changes in public policy and evolving stakeholder expectations and the European regulatory framework (including EBA's new guidelines for 2025), banks can accurately identify risks and opportunities that influence their operations and long-term strategy. In this context, the Group used the "Business Environment Scan" (BES), an essential tool to strengthen the capacity of financial institutions to adapt to a changing scenario characterised by regulatory, economic and environmental and social changes.

This approach allows economic, social, environmental and governance considerations to be integrated into strategic planning, ensuring a greater ability to adapt to unforeseen events such as market downturns or regulatory pressures. In the banking context, the BES is particularly important when assessing interactions with the credit market, climate, environmental and nature-related risks and the transparency requirements of the Group's stakeholders. The BES also supports the definition of climate change adaptation and mitigation strategies, contributing to the new 2026-2029 Business Plan and the evolution of the Group's ESG risk management processes.

The Intesa Sanpaolo Group has identified a number of variables within the "Business Environment Scan" to analyse ESG risk issues:

- macroeconomic variables: identification of the most material variables impacting each business area, description of the reasons for their materiality and qualitative assessment of the impacts arising from the four Network for Greening the Financial System (NFGS) climate scenarios considered, namely: i) Hot House World; ii) Orderly Transition; iii) Disorderly Transition; iv) Baseline[97];
- competitive landscape: description of the commercial offers and initiatives related to climate and environment announced by the Intesa Sanpaolo Group's Italian and international peers, and assessment of the expected impacts based on peer positioning;
- regulatory, political and geopolitical trends: presentation of the main regulatory, political and geopolitical trends from a climate and environmental perspective affecting each business area, both in terms of existing regulations and future legislation currently under discussion, and assessment of the expected impact of regulation also with respect to the implications for both banks and bank customers;
- technology trends: identification of key climate and environmental technology trends affecting each business area and assessment of their expected impact based on the potential to revolutionise business area operations to support customers' green transition;
- social/demographic trends: presentation of the main social and demographic trends influencing each business area and assessment of the expected impact based on an understanding of the changing needs, preferences and behaviour of the population;
- transition risk: assessment of the quantitative impact of the process of upgrading to a low-carbon and more environmentally sustainable economy on the Intesa Sanpaolo Group's exposures;
- physical risk: assessment of the quantitative impact of climate change on the Group's exposures, including more frequent extreme weather events and gradual changes in climate;
- natural capital risk: assessment of the quantitative impact on the Group's exposures arising from biodiversity loss and ecosystem degradation, which may affect resource availability, supply chains and the financial resilience of customers. For further information, reference should be made to the paragraph "Resilience analysis" in the ESRS E4 – Biodiversity and ecosystems chapter.

For each variable analysed, the potential impact was assessed and the time horizon in which these effects could materialise is noted. The combined impacts of all dimensions provide an explicit judgement of how climate and environment-related risks and opportunities might affect the Intesa Sanpaolo Group's business model in the short, medium and long term.

The analysis covered 14 company areas:

1. Banca dei Territori (BdT) – Italy – Residential Real Estate (RRE);
2. Banca dei Territori (BdT) – Italy – SMEs (Small and medium-sized enterprises);
3. IMI Corporate & Investment Banking (IMI CIB) – Large corporate – Manufacturing;
4. IMI Corporate & Investment Banking (IMI CIB) – Large corporate – Wholesale & Retail Trade;
5. IMI Corporate & Investment Banking (IMI CIB) – Large corporate – Construction;
6. IMI Corporate & Investment Banking (IMI CIB) – Large corporate – Real Estate Activities;
7. IMI Corporate & Investment Banking (IMI CIB) – Large corporate – Oil & Gas;
8. IMI Corporate & Investment Banking (IMI CIB) – Large corporate – Power Generation;
9. IMI Corporate & Investment Banking (IMI CIB) – Large corporate – Automotive & Transportation Services;

[96] The main information on climate risks provided in this paragraph is also included in the "ESG (Environmental, Social and Governance) and climate change risk" section of the notes to the consolidated financial statements, Part E – Information on risks and relative hedging policies and in the section "Climate-related matters" of the notes to the consolidated financial statements, Part A – Accounting policies.

[97] Hot House World: assumes that only the climate policies currently implemented will be maintained, resulting in high physical risks due to significant global warming; Orderly Transition: envisages the early and gradual adoption of stringent climate policies to limit warming to 1.5°C and achieve zero net CO_2 by 2050; Disorderly Transition: characterised by delayed or divergent policies across sectors and countries, with emissions peaking in 2030 and more drastic measures to limit warming below 2°C; Baseline: a conservative scenario characterised by weak climate policies and investment insufficient to achieve net-zero emissions targets.

10. International Banks Division (IBD)[98];
11. Private Banking;
12. Asset Management;
13. Insurance;
14. Corporate Centre[99].

The analysis carried out in 2025 is based on the resilience analysis performed in 2024. This analysis led to the definition of a reference framework that was maintained and updated for 2025. The framework considers short-, medium- and long-term time horizons, and outlines the business context in which the Group operates from climate and environmental perspectives.

In this context, time horizons of a managerial and strategic nature were used for the "Business Environment Scan"[100]. In particular:

- short term (ends in 2028): a time interval that includes the three years following the date of the BES analysis and aligns with the Group's internal adequacy processes, such as the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP);
- medium term (ends in 2031): time interval extending from year 4 to year 6 from the time of the BES analysis. It considers evolving factors that complement the Business Plan and establishes guidelines for the development of the next plan. By analysing the medium term, the Group can adapt its strategies and initiatives to address emerging trends, market dynamics and stakeholder expectations;
- long term: time interval extending until 2050. This interval is particularly important considering the Group's commitment to achieving Net Zero emissions targets by 2050. Considering the long term, the Group can develop sustainable strategies and initiatives that contribute to a low-carbon future and align with global sustainability goals.

The results of the analysis are shown in terms of expected qualitative impacts (classified as "low", "medium", "high") for each variable, within each business area and over the three time horizons defined.

Overall, out of the 14 company areas indicated above, all have at least one variable rated as "medium" or "high" impact. In addition, 8 areas have at least one variable rated as "high" impact:

- BdT – Italy – Residential Real Estate;
- BdT – Italy – SMEs;
- IMI CIB – Large corporate – Oil & Gas;
- IMI CIB – Large corporate – Power Generation;
- IMI CIB – Large corporate – Automotive & Transportation Services;
- International Banks Division;
- Private Banking;
- Asset Management.

According to the outcome of the impact analysis carried out on the variables identified, 30% of the "medium" or "high" impacts are expected to occur in the short term, 60% in the medium term and 10% in the long term.

More details are given below for each of the variables analysed:

- macroeconomic variables: impacts are expected in the medium term (with the exception of energy prices, which affect the Oil & Gas and Power Generation sectors also in the short term);
- competitive landscape: impacts are expected in the short to medium term, also driven by the development of the market with respect to climate-related products and services;
- regulatory, political and geopolitical trends: significant impacts were identified for almost all the company areas under analysis (for 13 of the 14 areas analysed and mentioned above, this trend was assessed as having a "high" impact in the short to medium term). These present both opportunities and potential risks;
- technology trends: impacts are expected mainly in the short and medium term, highlighting opportunities to support the green transition of bank customers;
- social/demographic trends: in general, more limited impacts are expected in the short term, which will increase in the medium term, e.g. increasing customer demand for sustainable products and investments and greater awareness of the consequences of climate risks.

[98] The analysis covers: VUB Bank, PBZ Bank and CIB Bank.

[99] In addition to credit risk, the Corporate Centre, with functions of direction, coordination and oversight of the entire Group, as well as Treasury management, Asset Liabilities Management (ALM) and property, is attributed with the risks typical of Corporate Center (namely those arising from equity investments), the risks pertaining to the exposures in default, the Banking Book interest rate and exchange rate risk, as well as the risks arising from the management of the Parent Company's FVOCI (Fair Value through Other Comprehensive Income) portfolio.

[100] The time horizons adopted in the BES were defined in order to ensure consistency with the Group's ICAAP framework. In particular, the same time horizons are used in the ICAAP climate scenario analysis.

In addition to the analysis focusing on qualitative assessment, an analysis of transition, physical and natural capital risks drivers was performed. The analysis quantifies the impact of these drivers on Intesa Sanpaolo's portfolios, considering their composition and specific characteristics. The analysis was updated using NGFS Phase V[101] scenarios, with a focus on the Disorderly Transition scenario. In addition, it was conducted only on ten of the fourteen company areas listed, namely BdT, IMI CIB, IBD[102] and the related sector-specific focus areas. This analysis shows that:

- in terms of transition risk, the above company areas' portfolios, although not significantly exposed in the short term, have an increasing exposure over longer time horizons. In particular, residential real estate is exposed to medium- and long-term impacts due to emission reduction regulations. Small or medium-sized enterprises (SMEs) and large companies are increasingly exposed to transition risk in the medium to long term, with an upward trend over time, particularly in the Power Generation, Oil & Gas, Automotive & Transportation Services and Manufacturing sectors;
- in terms of physical risk, flood events are expected to have a significant impact on residential properties, especially in the long term. For SMEs and large companies, exposure to physical risk is moderate in the short and medium term, increasing in the long term;
- in terms of natural capital risk (for further information, reference should be made to the "Resilience Analysis" section in the ESRS E4 – Biodiversity and ecosystems chapter), both SMEs and large companies are moderately exposed in the medium to long term, while exposure is not significant in the short term.

In addition to assessing risks on Intesa Sanpaolo's portfolios, a separate analysis was carried out to assess transition and physical risks for the following areas: Private Banking, Asset Management, Insurance and Corporate Center. To this end, specific methodologies were applied, aimed at presenting the impacts of transition and physical risks over a long-term time horizon. This analysis shows that:

- Private Banking: the analysis of exposures to SMEs highlights a low impact from physical and transition risks;
- Asset Management: the analysis covers both corporate and sovereign issuers and, overall, the expected reduction in portfolio value is modest for both transition and physical risks;
- Insurance: the Group's life insurance companies show greater exposure to transition risk, while non-life companies are more exposed to physical risks. However, the analysis shows that both the Intesa Sanpaolo Assicurazioni Group and its subsidiaries are resilient in terms of transition and physical risks;
- Corporate Center: the analysis of the ESG risk profile of the Bank's portfolio consisting of debt securities, equity instruments and derivatives shows that, overall and in the long term, Intesa Sanpaolo's portfolio is more exposed to transition risks than to physical risks.

Overall, risks and opportunities related to climate and environmental topics can be considered as one of the inputs to be assessed as part of the broader strategic planning process. Furthermore, they are linked to the most significant risk management processes (including ICAAP, RAF, etc.).

The identification and assessment of impacts and the constant monitoring of the business context strengthen Intesa Sanpaolo Group's ability to adapt its strategy and business model to climate change and to manage climate and environmental risks effectively, while seizing opportunities for sustainable growth.

Integration of sustainability performance into incentive systems

Climate aspects contribute to the determination of the variable remuneration of the Managing Director and CEO and the rest of the company workforce in the framework of both the Annual Incentive System and the Long-Term Incentive Plans.

With regard to the Managing Director and CEO, the 2025 Performance Scorecard of the Annual Incentive System includes a specific, detailed ESG KPI with a weight of 15%, while the "Performance Share Plan" (PSP) long-term incentive, based on shares awarded in the future against the achievement of specific performance targets, includes a composite KPI that, in an effort to promote the pursuit of sustainability, acts as a de-multiplier, reducing the number of shares that may be vested by 10%/20%. The composite KPI consists of a sub-KPI identified in the Business Plan for each of the three environmental, social and governance factors.

For the Managing Director and CEO, the ESG KPI resulted in the vesting of 16.8% of the total bonus for the 2025 annual Incentive System.

With regard to the Annual Incentive System, the driver of the ESG KPI assigned to the CEO and connected to climate is the support for the green economy and circular economy assessed in terms of: i) development of ESG related-commitments for the Corporate boundary; ii) support for Green Mortgages and Social Lending by Banca dei Territori division. The development of sustainable investments in terms of ESG investments as a percentage of total AuM (%) is also assessed.

With regard to the PSP, the environmental component of the ESG composite KPI relates to the new credit for the green/circular economy and ecological transition with a particular focus on supporting the transition of corporate undertakings/SMEs (the latter having a weight of 40%).

For more details on the ESG KPI of the Annual Incentive System, the PSP and the scope of application, reference should be made to the section "Integration of sustainability-related performance into incentive systems" in chapter ESRS 2.

[101] Source: Network for Greening the Financial System (NGFS), "NGFS Climate Scenarios for central banks and supervisors - Phase V", https://www.ngfs.net/en/publications-and-statistics/publications/ngfs-climate-scenarios-central-banks-and-supervisors-phase-v.

[102] The quantitative analysis is based on the most material IBD segment at the reporting date of the analysis (VUB Bank). In addition, it considered transition and physical risks for IBD.

Strategy to counter climate change in own operations

Policies to mitigate and adapt to climate change

The Intesa Sanpaolo Group has developed and adopted a series of policies to address and control issues related to climate change and energy efficiency.

First, a Code of Ethics[103] was adopted that promotes an efficient and conscious use of all resources, avoiding waste and always prioritising sustainable choices over time. Moreover, the document contains guidelines aimed at combating climate change, protecting nature and biodiversity and supporting the transition to a sustainable, green and circular economy.
The adoption of the principles of the Code of Ethics has enabled the development of several policies aimed at mitigating climate change impacts within the Group's own operations.

In this context, the "Environmental and Energy Policy" (the "Policy") aims to minimise environmental impacts and ensure legislation compliance, in line with the Environmental Code (Legislative Decree 152/06) and in accordance with the Organisational, management and control model pursuant to Legislative Decree 231/01. The main objectives include combating climate change, managing ESG risks, preventing environmental impacts, efficient and responsible use of resources, and careful selection of suppliers with ethical, social and environmental requirements.
In this context, the commitments set out in the Policy translate into actions that promote principles of sustainability and social responsibility.

The Policy was defined taking into account stakeholders' interests, including through explicit reference to their needs and expectations with respect to the adoption of the Environmental Management System (ISO 14001 Certification) and the Energy Management System (ISO 50001 Certification).
This system is certified[104] by a third party and subject to periodic audits, ensuring a systematic approach to sustainability in line with international best practices.

The most senior level accountable for the implementation of the Policy is the Environmental Manager, heading the Intesa Sanpaolo Environment and Energy structure, whose mission is to direct, coordinate and oversee initiatives aimed at mitigating the direct environmental impacts generated by the Group's own operations, ensuring control over regulatory compliance for environmental protection and energy efficiency. The Environmental Manager delegates the specialised operational structures to monitor compliance risks, such as Real Estate Management and Group Technology.

In performing their functions, the Environmental Manager is also assisted by relevant structures (internal and external) for environment and energy matters that carry out careful monitoring and legislation compliance checks. These checks are carried out through periodic controls, inspections and audits at the Group's sites, focusing, in particular, on waste management and energy consumption measured compared with expected consumption, also taking into account the characteristics of the building (climate zone, size, facilities, number of employees).

For information on the criteria governing resource procurement, reference should be made to the "Green Banking Procurement Rules", which provide procurement guidelines in areas such as energy, office materials, sustainable renovations and event organisation. Key objectives include optimising resources, promoting sustainable practices in the procurement of goods and services, reducing CO2 emissions, promoting efficiency and the circular economy. The most senior level responsible for the "Green Banking Procurement Rules" document is the head of the Intesa Sanpaolo Environment and Energy structure.

The above policies apply to all Group companies (including subsidiaries) and are available to all stakeholders, including those that are potentially involved and those who contribute to their implementation through internal (Intranet for employees) and external channels (using the official website).

For further information about the impacts, risks, and opportunities (IROs) covered by climate change mitigation and adaptation policies in own operations, reference should be made to the IRO table included in the "Materiality assessment" section of the ESRS 2 – General Information chapter.

Own Emissions Plan

In accordance with the "2022-2025 Business Plan", in 2022, the Intesa Sanpaolo Group designed a plan to reduce its Scope 1 and 2 emissions (the "Own Emissions Plan"). The plan is based on the Science Based Target Initiative (SBTi) protocol which calls for keeping the global temperature increase below 1.5°C compared to pre-industrial levels, as envisaged by the Paris Agreement. For additional information on the 2022-2025 Business Plan, reference should be made to the "Strategy, business model and value chain" section in chapter ESRS 2 – General disclosures.

The plan envisaged a 53% reduction in absolute Scope 1 and Scope 2[105] emissions by 2030 (-51,427 tonnes of CO_2eq) compared to the 2019 baseline (96,192 tonnes of CO_2eq), and also set the goal of becoming carbon neutral at the same time, mitigating residual emissions through the purchase of carbon credits[106]. In this context, the Group has set itself the target, where

[103] For further information on the Code of Ethics, reference should be made the section on "Policies, targets and actions related to corporate culture" in chapter ESRS G1 – Business Conduct.

[104] The ISO 14001 Certification applies only to the Italian boundary, while the ISO 50001 Certification applies to the Italian and CIB Bank (Hungary) boundary.

[105] See the section "Gross Greenhouse Gas Emissions – Scope 1, 2, 3 and Total" of this standard for a description of Scope 1, 2 and 3 emissions.

[106] At 31 December 2025, the Group did not use carbon credits to offset emissions, nor did it directly invest in GHG capture and storage. In fact, it holds CO_2 emission rights (related to the European Union Emissions Trading System - EU ETS) deriving from proprietary trading operations carried out by the IMI Corporate & Investment Banking Division.

possible, of 100% electricity from renewable sources purchased directly for its operations. The definition of the target is based on 2019 data and the assessment of the market for green certificates to 2030, as well as other contractual options such as Power Purchase Agreements (PPAs).

The Intesa Sanpaolo Group's commitment to decarbonisation is renewed in the new 2026-2029 Business Plan, confirming the 2030 target for its own emissions.

It is confirmed that the calculation of emissions for the activities covered by the plan considers the entire scope of the Group, and this has remained unchanged since its definition. Furthermore, the 2019 baseline, which indicates the Group's consumption and is not affected by the exceptional events that marked the subsequent years, such as 2020 and 2021, has never been changed, despite the increase in the number of Group companies included in the reporting boundary. This increase had a residual impact on CO_2eq emissions, accounting for less than 1% of the Group's total emissions.

To define the pathway for reducing its own emissions, the Group adopted an integrated approach, combining two methods:
- "bottom-up", involving various internal stakeholders including the Chief Cost Management Officer (CCMO), the Chief People & Culture Officer (CPCO), banks, branches and foreign companies to identify the main decarbonisation levers;
- "top-down", selecting the projects with the greatest potential for emission reductions relative to implementation costs, and defining the investments required to enact them.

With regard to the achievement of the declared decarbonisation targets in relation to Scope 1 and 2 emissions, three levers have been adopted for both the Italian and foreign boundaries (branches, banks and companies) identified for 2025 and beyond:
- repositioning of the electricity supply towards renewable sources;
- implementation of measures aimed at reducing both energy consumption and dependence on fossil fuels for the Group's buildings through, for example, the gradual elimination of heating/air conditioning systems powered by gas and diesel oil and the renovation of inefficient systems with the use of heat pumps, the installation of photovoltaic panels, the activation of energy management/monitoring systems and the use of low-GWP refrigerants;
- electrification of the company car fleet, both through hybrid and electric vehicles, and the installation of charging stations.

In particular:
- the first lever is applied to the Italian boundary and foreign geographical areas, where it can be applied;
- the second and third levers impact the Italy boundary and the foreign subsidiary banks located in Albania, Bosnia-Herzegovina, Croatia, Ukraine, Serbia, Slovenia, Moldova, Slovakia and the Czech Republic, Egypt, Romania, Hungary.

During 2025, the main initiatives implemented across the three levers were as follows:
- with regard to the first lever, constant monitoring of the supply of energy from renewable sources to verify alignment with the expected target. Furthermore, some international banks committed to increasing their green energy volumes: in addition to Bank of Alexandria (Egypt), a subsidiary which has progressively achieved 100% green energy purchases through the purchase of i-RECs certificates, CIB Bank in Hungary and Banca Intesa Beograd in Serbia have also achieved 100% green energy in their procurement, excluding energy for fleet charging.
- with regard to the second lever, the following initiatives continued:
  in Italy:
  - replacement of existing boilers with heat pump systems in some branches and buildings;
  - extension of the smart building platform to monitor consumption;

  abroad:
  - replacement of existing boilers with heat pump systems at some sites of the Group subsidiaries - CIB Bank (Hungary) and PBZ Group (Croatia);
  - installation of photovoltaic systems at the subsidiary VUB Group (Slovakia), PBZ Group (Croatia) and Banca Intesa A.D. Beograd (Serbia);
  - replacement of obsolete air conditioning systems at some sites of the subsidiary Bank of Alexandria (Egypt) and VUB Group (Slovakia);
  - replacement of window and door frames at some sites of the subsidiary Intesa Sanpaolo Bank (Slovenia) and CIB Bank Group (Hungary).
- with regard to the third lever:
  - increase in the number of electrified cars (full electric, plug-in hybrid and full hybrid) and simultaneous decrease in cars with internal combustion engines.
  - In order to facilitate the adoption of plug-in rechargeable vehicles, a project was launched to install recharging stations at parking spaces in the Group's main buildings both in Italy and at the foreign subsidiaries VUB Group (Slovakia), Banca Intesa A.D. Beograd (Serbia), CIB Bank (Hungary), PBZ Group (Croatia) and Intesa Sanpaolo Bank (Slovenia).

The implementation of the identified actions takes place in cooperation with the relevant corporate functions, ensuring an effective sharing of the necessary costs and resources. The availability of human and financial resources (the latter made available through the annual capital budget cycle), employed through an integrated, systemic approach that combines strategic allocation with the presence of specific skills, access to appropriate technologies and the support of an adequate regulatory framework, contributes to the implementation of the actions envisaged in the "Own Emissions Plan".

With reference to OpEx (administrative expenses) and CapEx (property and equipment), we note their limited significance given the Group's sector of operations.

With regard to indirect emissions (Scope 3, excluding category 15), while there are no specific targets set out in the Own Emissions Plan, policies aimed at reducing the environmental impact of certain goods have been in place for some time. Indeed, as part of the Green Banking Procurement Rules, actions are envisaged that aim to optimise resources and promote sustainable practices in the procurement of goods and services that impact CO_2 emissions.
In particular:

- Paper: the Group is taking action and promoting initiatives aimed at reducing its use of paper through dematerialisation and digitalisation processes. In addition, to reduce emissions linked to paper usage, Intesa Sanpaolo is primarily committed to maximising the use of paper containing recycled fibres, by choosing products with a high proportion of post-consumer recycled fibres. When these are unavailable, eco-sustainable certified paper is used.
- Water: although water within the Group is mainly used for hygiene purposes, the Group is actively committed to taking action and promoting initiatives that encourage the responsible use of this essential resource (for example, dual-flush cisterns have been installed);
- Office machines: the Group is committed to purchasing office machines that are highly energy-efficient and free from hazardous substances, with limited environmental impact. In line with this commitment, priority is given to equipment that optimises the use of consumables. The Group carefully assesses the life cycle of each piece of equipment, favouring those that ensure a lower environmental impact throughout their entire life cycle and allow for reuse or recycling.

Greenhouse gas emission reduction targets

Climate change mitigation and adaptation objectives in own operations

Target: Scope 1 and 2 - % of actual reduction in own emissions from implemented measures		
	Date	**Value**
Baseline	31.12.2019	96.192 tCO_2eq
Final number	31.12.2024	-35%
Final number	31.12.2025	-39%
Target	2030	-53%

Target: % Purchase of electricity from renewable resources[107]		
	Date	**Value**
Baseline	31.12.2019	87,7%
Final number	31.12.2024	92,8%
Final number	31.12.2025	95,3%
Target	2030	100%

As part of the Own Emissions Plan, at 31 December 2025, the Group had already achieved a 39% reduction in emissions compared to the 2019 baseline (96,192 tonnes of CO_2eq). This reduction corresponds to 37,709 tonnes of CO_2eq, confirming a trend in line with the target envisaged for 2030. Specifically, as set out in the "Own Emissions Plan" section, the key initiatives driving the actual reduction in emissions involve an increase in green energy purchased by certain international Group companies (leading to a reduction in market-based emissions) and energy efficiency measures implemented in buildings in the Italian and foreign boundaries. At the end of 2024, the Group had reduced its Scope 1 and 2 emissions by 35%.

In addition, the Group has set a target to increase the proportion of electricity purchased directly from renewable sources in total procurement, with the ultimate goal of achieving 100% by the end of 2030 where possible. At 31 December 2025, the proportion of electricity purchased from renewable sources had increased, rising from 92.8% in 2024 to 95.3%. The increase is mainly due to greater use of renewable energy sources in the foreign boundary, particularly by the Bank of Alexandria in Egypt, Banca Intesa Beograd in Serbia and CIB Bank in Hungary. This is discussed in the previous section "Own Emissions Plan".

Finally, similarly to the 2024 Statement and like all financial institutions, the Intesa Sanpaolo Group does not currently fall into any of the categories listed in the European legislation on exclusion from the EU-Paris aligned Benchmark (EU PAB).

Strategy to combat climate change at portfolio level

Policies to mitigate and adapt to climate change

The Group adopts a series of policies to control decarbonisation objectives at the portfolio level and to monitor climate adaptation issues, starting with the Code of Ethics, which, among its principles, envisages responsible management of indirect environmental impacts, for example committing to promoting services and products to foster the development of a low-emission economy.

For information about the impacts, risks, and opportunities (IROs) covered by climate change mitigation and adaptation policies at portfolio level, reference should be made to the IRO table included in the "Materiality assessment" section of the ESRS 2 - General disclosures chapter.

In line with the regulatory evolution on sustainability, the Group has adopted a cross-cutting and holistic approach to ESG issues, which is based on:

- the definition of a Group ESG strategy;
- the integration of ESG factors into the general risk management framework, and in particular into the Risk Appetite Framework (RAF) which includes a specific section on ESG and climate change risks;
- the integration of ESG factors in lending processes and in the definition of lending strategies;

[107] Entity-specific metric.

- careful consideration of ESG factors in the development of policies, products and services;
- the dissemination of an ESG risk culture throughout the company.

As part of its ESG strategy, Intesa Sanpaolo recognises the scale of the climate challenge and is committed to achieving Net-Zero by 2050. As part of the 2022–2025 business plan, it has set decarbonisation targets for the sectors with the highest emissions intensity and materiality for the Group by 2030. For further information, reference should be made to the "Sectoral Transition Plan" and "Greenhouse gas emission reduction targets" sections. The Group's commitment to decarbonisation is renewed in the new 2026-2029 Business Plan, confirming the 2030 target for financed emissions.

In order to ensure an effective and efficient management and control system, strategic decisions on risk management at the Group level are referred to the Board of Directors of Intesa Sanpaolo, in its capacity as Parent Company. Thus, the Board plays this role not only with reference to the Parent Company, but also assessing the Group's overall operations and the risks to which it is exposed. In fact, Intesa Sanpaolo's Board of Directors, with the support of the Risk and Sustainability Committee, approves policies on climate change, including the "Group Guidelines for the Governance of Environmental, Social and Governance (ESG) risks" (hereinafter "Guidelines for the Governance of ESG Risks") in line with the Group's strategic and sustainability objectives. In conjunction with other relevant structures, the Chief Risk Officer Governance Area (CRO Area) is responsible for, develops and maintains these guidelines and the related implementing rules. Furthermore, they are responsible for designing, developing and maintaining the internal system for managing and assessing the Group's reputational and ESG risks.

In addition, the Chief Risk Officer, Chief Financial Officer and Chief Sustainability Officer Governance Areas, with the support of the remaining Governance Areas and Divisions, work together to identify and analyse ESG risks and opportunities with particular reference to climate change. The same areas are responsible for defining objectives and guidelines to implement processes for assessing, controlling and mitigating risks and for defining lending strategies.

With regard to climate change mitigation, the integration of ESG risks into the risk management framework takes place through several mechanisms. In particular, the RAF integrates and translates what has been defined in terms of strategic guidelines into specific controls, and the ESG/Climate Materiality Assessment and the ESG Sectoral Color Coding are used to identify, on an annual basis, limits, key risk indicators and specific actions aimed at containing the ESG risks, specifically with regard to the sectors with the highest exposure to those risks. The ESG Climate Change and Reputational Risk section of the Group RAF includes:

- specific limits in relation to the exposure to the Coal Mining and Oil & Gas sectors;
- a synthetic risk metric based on financed emissions on the corporate portfolio in order to improve management of the transition risk for the Power Generation, Oil & Gas, Automotive, Iron&Steel, Commercial Real Estate, Aluminium, Cement and Agriculture – Primary Farming sectors;
- specific warning thresholds for new disbursements in the Residential Real Estate (RRE) portfolio, in particular on the lower energy performance classes (EPC certifications108) and in areas with very high physical risk; to improve the quality of the residential properties taken as collateral, and consequently reduce the transition and physical risk associated with mortgage loans;
- a warning threshold in relation to the exposure to debt securities of government issuers in the Group's banking book that, based on internal ESG-related criteria, are defined as "high risk".

The RAF is updated annually, through a review of current limits and an expansion of monitored areas, to ensure adequate coverage of risk areas. The greenwashing risk was introduced in 2025 as an emerging risk, recognising that sustainability-related statements and actions that do not clearly and fairly reflect the underlying sustainability profile of the entity, financial products or services may represent a reputational risk factor for the Group. The lack of transparency may expose the Group to penalties and legal action, as well as loss of trust among stakeholders.

With regard to the credit framework, the Group has currently developed a holistic approach for the integration of ESG/Climate factors within it. The ESG/Climate Credit Framework, which includes ESG/Climate criteria to guide the strategic management of the loan portfolio and define the pricing of transactions among others, operates on three levels:

- by sector, with the definition of the "ESG Sector Strategy - Color Coding", which considers risks and opportunities and contributes to the definition of the attractiveness of sectors in credit strategies; as an integral part of the ESG sector strategy, a heatmap assigns specific ESG strategies to each business sector;
- by counterparty, with the introduction of an ESG score defined at the counterparty level and integrated, inter alia, into credit strategies and the Credit Risk Appetite (CRA);
- by transaction, with the definition of the internal framework of sustainable lending products and transactions.

Specifically, the ESG counterparty score, developed by Intesa Sanpaolo in 2021, provides a summary assessment of the ESG profile of corporate customers belonging to the portfolio of the Banca dei Territori Division, the IMI Corporate & Investment Banking Division and banks operating in the European Union belonging to the International Banks Division. The aim is to use the same method to assess the ESG profile of corporate customers across the entire portfolio, ranging from large listed customers to small and medium-sized enterprises. In addition to the above corporate customers, the ESG Score is also calculated for the IMI Corporate & Investment Banking Division's Project Finance transactions and for the Sovereign & Other Government entities, which include states and sub-national authorities (Italian regions and provinces and US states). The ESG score is fed by a wide range of data from internal and external sources within the Bank. This data is used to collect material

[108] Energy Performance Certificate.

indicators of impact, risk and opportunities across the three ESG dimensions which include certain indicators relating to climate risk (particularly with regard to corporate customers' preparedness to manage transition and physical risk)[109].

Finally, with respect to the overall ESG risk management framework, the "Guidelines for the Governance of ESG Risks" apply to Group banks and companies, which adapt them to their own context, and, in the case of the International Banks Division, to the specific features of local regulations. A summary of the "Guidelines for the Governance of ESG Risks" is available to all stakeholders on Intesa Sanpaolo's website.

In formulating the "Guidelines for the Governance of ESG Risks", the Group referred to the principles defined by international best practices and to developments promoted and expressed by the regulator and supervisor at the European and international levels. Specifically, at the EU level, reference was made to the legislation that followed the Action Plan for Sustainable Finance and Growth published in 2018 by the European Commission, while at the international level inspiration was drawn from the initiatives aimed at promoting best sustainability practices in the banking sector that the Group has adopted, including the UN Global Compact, UN Environment Programme Finance Initiative (UNEP FI), Principles for Responsible Banking, Principles for Responsible Investment, Principles for Sustainable Insurance, Equator Principles and Net-Zero Banking Alliance (NZBA[110]).

These guidelines play an essential role in applying the principles of reference and the definition of the roles and responsibilities of corporate bodies, internal governance structures and the main corporate functions involved in monitoring these risks.

ESG risk governance process

The "Guidelines for the Governance of ESG Risks" outline the Group's ESG risk governance process (including on climate change adaptation issues), which consists of five steps and applies to all Group companies, considering the individual reference context:

- identification: identification and description of ESG risk factors, including in terms of transmission channels, with particular reference to climate and environmental risks (e.g. through ESG risk scenarios in stress testing processes);
- assessment and measurement: determination of exposure to ESG risks (e.g. through the ESG & Reputational Risk Clearing process);
- monitoring and control: continuous monitoring of the evolution of ESG risk exposure (e.g. monitoring of ESG KPIs established in the Risk Appetite Framework - RAF);
- mitigation: the containment of ESG risks through appropriate actions and strategies, including preventive initiatives, aimed at reducing the severity of the impact of such risks (e.g. the definition of remedial actions in the event of breaches of ESG limits in the RAF);
- communication: provision of appropriate information flows to allow adequate transparency and knowledge of ESG risk exposure (e.g. ESG risk reporting and ESG risk disclosures, including indicators factoring in physical climate risks).

Specifically, with reference to the aforementioned assessment and measurement phase, consistent with the strategic guidelines on the subject, ESG risk management is also implemented through the ESG & Reputational Risk Clearing process, which has the objective of identifying and assessing beforehand potential ESG and reputational risks (including climate and environmental risks) connected to credit proposals, the selection of suppliers/third parties connected to commercial agreements, equity investments and extraordinary transactions.

The ESG & Reputational Risk Clearing process thus seeks to represent the potential ESG and reputational risk profiles associated with a specific transaction/counterparty or initiative, enabling informed assumption of risk in the related decision-making processes. A first level of clearing, performed by the line functions, is aimed at an analysis of the main ESG and reputational risk factors and performed by the structure that manages the relationship with the counterparty. In this context, credit proposals are subject to first-level clearing in a manner differentiated according to sector-specific assessments and the characteristics of the individual counterparty and transaction. A second level of clearing, under the responsibility of the Chief Risk Office Governance Area and activated based on the outcome of the first level, is aimed at examining and assessing any critical concerns that may have emerged from the first level, and also involving an expert analysis of these risk profiles. Generally, the outcome of the assessment is an advisory opinion that includes an assessment of the main critical concerns identified, the related mitigators and the level of risk assigned based on proprietary metrics. Escalation mechanisms are triggered when there are risk classes that are not consistent with the Group's risk appetite.

The broader framework of ESG risk assessment and management also includes the implementation activities of the Equator Principles (EPs), which define a framework for environmental and social risk management in the financing of large projects, thus reinforcing the commitment to managing the impacts associated with the activities of corporate customers. EPs are international guidelines that the Intesa Sanpaolo Group has adopted on a voluntary basis since 2007, implementing their latest updated version (EP IV) applicable to the financing of infrastructure and industrial projects that may have adverse effects on people and the environment (e.g. energy plants, petrochemicals, mining, transport and telecommunications infrastructure). These principles are based on the criteria of the World Bank's International Finance Corporation (IFC) and, with respect to environmental issues, they promote the prevention of pollution, energy efficiency, the preservation of biodiversity and the sustainable management of natural resources.

[109] For more information about the ESG score, see the "Climate Report".

[110] In October 2025 the Net Zero Banking Alliance changed its structure, transforming from a voluntary membership-based alliance to a new framework initiative, with the goal of continuing to provide guidelines to promote the transition in compliance with the Paris Agreement.

The internal regulations on Equator Principles are applied by the Parent Company and by the subsidiaries that offer financing falling within the scope of application of the EPs, and are valid in all countries where the Group operates and for all countries where the Group offers financing. Regardless of the customer's industry, the EPs apply to the financial products listed below when they are used to support the development of new projects and meet specific criteria:
- project finance advisory services;
- project finance;
- project-related corporate loans;
- bridge loans;
- project-related refinancing and acquisition operations.

The project assessment process starts with the assignment of a three-level risk category by the Group, which involves the integrated consideration of several factors[111]. Depending on the assigned risk level, customers must provide the required documentation and actively engage with affected communities, ensuring structured, culturally appropriate consultation processes in compliance with the UN Guiding Principles. When the financed project is exposed to potentially irreversible environmental and social risks, an independent consultant is also engaged to support the ongoing monitoring of impacts and the mitigation measures adopted. Over time, the Bank checks that customers are fulfilling their commitments properly and assesses any reports received from organisations or parties representing the affected communities. This ensures ongoing control of the environmental and social conditions of the financed projects. In this context, the Group incorporates specific provisions into loan documentation and ensures they are properly implemented.

With respect to the objectives of decarbonisation, the "Guidelines for the Governance of ESG Risks" also outline an ESG risk governance model based on materiality assessments of ESG risk factors in relation to the various risk categories (credit risk, market risk, operational risk, liquidity risk and reputational risk) and their incorporation into the various risk management areas. The Group carries out an annual Climate/ESG materiality assessment to evaluate the potential impact of ESG and climate risks on its operations. This analysis enables the level of climate/ESG risk to be assigned to each economic sector and loan portfolio, identifying the most exposed ones.. The process is based on an organic and structured approach to risk assessment which involves a granular definition of the risk drivers and the integration of forward-looking elements (Climate Scenario Analysis). The aggregate analysis of the materiality of ESG risk factors at the sector level leads to the definition of an enhanced risk control for the sectors most exposed to ESG risks, the definition of sector-specific strategies in this regard, and the implementation of specific safeguards within the Risk Appetite Framework.

The Climate Scenario Analysis is used to explore potential portfolio vulnerabilities, particularly in the credit portfolio, as part of the regulatory stress testing exercises or the Internal Capital Assessment Adequacy Process (ICAAP) and the Internal Liquidity Assessment Adequacy Process (ILAAP). In conducting this activity, the Intesa Sanpaolo Group adopts an approach that incorporates different solutions dedicated to the verification of the impacts of transition and physical risk on the Non-Financial Corporate (NFC) portfolio and on the real estate collateral portfolio. With regard to transition risk, the impact is assessed by means of shocks applied to the balance sheets of the individual counterparties and to the energy efficiency level of the residential and commercial immovable property provided as collateral. The estimate of the impact of physical risk, on the other hand, is determined based on the geolocation of the immovable property provided as collateral or NFC customer production sites, according to the different types of weather events.

The Climate/ESG materiality assessment described above contributes to determining the financial materiality for the Environmental component, which, together with the impact materiality, forms the basis for the double materiality assessment described in the "Materiality assessment" section of the ESRS 2 – General disclosures chapter.

Management of sustainability issues in sensitive sectors

The "Guidelines for the Governance of ESG Risks" also define: i) a list of "sensitive sectors" with regard to ESG and/or reputational risks; ii) general criteria to limit and exclude lending; iii) detailed criteria applicable to individual sensitive sectors through the application of sector-specific rules.

With reference to the general exclusion criteria, the Group undertakes not to finance companies and projects that are characterised by their negative impact on:
- UNESCO World Heritage Sites;
- wetlands according to the Ramsar Convention;
- International Union for Conservation of Nature (IUCN) protected areas I to VI.

As far as sector-specific rules are concerned, the Group has defined specific "Rules for Oil & Gas Operations" to regulate its operations in the sector and support the energy transition. A summary of these rules is available to all stakeholders on Intesa Sanpaolo's website.

The "Rules for Oil & Gas Operations" apply to the entire Intesa Sanpaolo Group with reference to the financing and investment activities described within the document, covering the whole sector across its main operating segments:
- upstream (oil and gas exploration and production);
- midstream (transport, storage and wholesale distribution);
- downstream (oil refining and distribution of finished products);
- trading (buying and selling oil, gas and refined products).

[111] For more information about this topic, reference should be made to the "Climate Report".

In this context, the Group is committed to not financing projects involving new oil extraction sites or with negative environmental impacts in “critical areas” of the planet, such as the Arctic region and the Amazon Sacred Headwaters[112]. In addition, it has identified specific exclusion policies for the extraction of unconventional resources, providing for the phase-out of exposures related to such unconventional resources[113] by 2025.

As part of the credit process relating to operations in the Oil & Gas sector, the following controls apply to operations not subject to exclusions and limitations for assessing ESG risks and, in particular, climate risk:
- the ESG & Reputational Risk Clearing process described earlier;
- the analysis of transition plans to assess the counterparty's progress in achieving its climate targets;
- the periodic measurement of the emission intensity of the financed counterparties in the Oil & Gas sector to ensure the progressive alignment of the portfolio to climate neutrality targets.

Furthermore, with the aim of targeting exposures in line with the commitments made for this sector, the Group directs its operations towards the most virtuous counterparties committed to a transition towards more sustainable businesses (with a focus on the level of CO_2 emissions).

With regard to the coal sector, as indicated in the "Rules for lending operations in the coal sector", a summary of which is available to all stakeholders on the Group's institutional website, Intesa Sanpaolo is committed to supporting customers in the sector in the gradual reduction of the use of coal for power generation and in projects adopting energy-efficient and low greenhouse gas emission technologies, through targeted financing, a rigorous assessment of ESG risks in the Risk Clearing process and a limit on overall exposure to this area.

Moreover, the Group has undertaken not to increase its exposure in respect of non-financial products and services to companies with at least one of the following characteristics:
- operating in the production of electricity from coal and which do not have a documented plan/strategy for the progressive reduction of greenhouse gas emissions;
- failure to document a planned limit of no more than 35% of installed capacity from coal by 2030;
- having plans to expand installed coal-fired capacity or engaged in the construction of new coal-fired thermal power plants.

The Group manages its outstanding exposures to the above companies with a view to phasing them out. In addition, the Group confirms that, in line with its exclusion policy, it achieved its objective of phasing out its exposure to counterparties active in coal mining in 2025, although a marginal amount remains, mainly attributable to a non-performing exposure.

The “Rules for lending operations in the coal sector” apply to the entire Intesa Sanpaolo Group, and specifically to the following sectors:
- coal mining;
- coal-fired power generation (coal-fired power plants - CFPPs).

Internal classification of sustainable lending products and transactions

The Intesa Sanpaolo Group also has internal regulations for the classification of sustainable lending products and transactions, under the responsibility of the Chief Risk Officer Governance Area. This legislation applies to Group companies that provide loans to customers and defines, among the various categories, environmentally sustainable activities. Environmental sustainability products and transactions refer to specific economic activities, including renewable energy production, pollution prevention and control, sustainable management of natural resources, conservation of biodiversity and climate change adaptation, aimed at reducing or eliminating physical risk, for example by reducing or avoiding damage/disruption from risks linked to adverse phenomena of temperature, wind, water and land.

The classification categories of sustainable lending products and transactions were defined in line with the internationally recognised guidelines of the Loan Market Association (LMA) on Green Loan and Sustainability-linked Loan Principles. These provide a globally shared framework and promote standard and transparent practices in the sustainable finance sector. In addition, at the end of 2025, the internal regulations for the classification of sustainable lending products and transactions were updated and the related responsibility was assigned to the CSO Governance Area.

The classification processes for sustainable products and sustainable lending products and transactions differ for each business division and require validation of the sustainability classification assigned. The sustainability classification is made during the loan application phase. Following the disbursement of the loan, if relevant, the stability of the sustainability classification will be verified and monitored by the operational and business functions for the entire duration of the loan.

Sectoral Transition Plan

The Intesa Sanpaolo Group has chosen to pursue the Net-Zero target by 2050, also setting intermediate targets to 2030 for its own direct emissions as well as the indirect emissions associated with the main business lines, in line with the objectives of the Paris Agreement to limit global warming to 1.5°C. The first four targets for the Oil & Gas, Power Generation, Automotive and Coal Mining sectors were also published in the 2022-2025 Business Plan. The business plan also formalised the commitment to defining and publishing interim targets for high-emitting sectors that are consistent with the “Guidelines for Climate Target Setting for Banks” issued by UNEP FI, and to requesting validation from the Science Based Targets Initiative (SBTi).

[112] Area understood as the drainage basin of the Amazon River, and of the Napo, Pastaza and Marañon rivers.

[113] Shale/tight oil, shale/tight gas, tar sands/oil sands, coal bed methane/coal seam gas.

In 2023, emission reduction targets were also set for the Iron & Steel and Commercial Real Estate sectors, and in 2024 targets were introduced for the Cement, Aluminium, Residential Real Estate and Agriculture - Primary Farming [114]sectors. This completed the definition of the 2030 decarbonisation targets for high-emitting sectors relevant to the Group. With the exception of the Commercial Real Estate and Residential Real Estate sectors[115], these targets were defined with a level of ambition consistent with the objective of limiting global warming to 1.5°C.

In January 2025, Intesa Sanpaolo obtained validation from the Science Based Targets Initiative (SBTi) for its decarbonisation targets, which were submitted[116] in March 2024.

The Intesa Sanpaolo companies belonging to the Wealth Management Divisions - Eurizon Capital SGR, Fideuram Asset Management SGR[117], Fideuram Asset Management Ireland and the Intesa Sanpaolo Assicurazioni Group - set their respective financed emissions reduction targets.

The Intesa Sanpaolo Group's commitment to decarbonisation is renewed in the new 2026-2029 Business Plan, confirming the 2030 target for financed emissions, asset management and insurance.

Since 2021, the Group has been a member of the Net-Zero Banking Alliance (NZBA)[118], Net-Zero Asset Managers Initiative (NZAMI)[119] through Eurizon Capital SGR, Fideuram Asset Management SGR and Fideuram Asset Management Ireland, and through Intesa Sanpaolo Assicurazioni of the Net-Zero Asset Owner Alliance (NZAOA). In 2024 Intesa Sanpaolo Assicurazioni also joined the Forum for Insurance Transition to Net-Zero (FIT[120]). For further details, reference should be made to the "Climate Report"[121] of the Intesa Sanpaolo Group. This annual document covers climate-related topics and the transition to a low-emission economy, in line with the climate commitments that have been made. The targets of Eurizon Capital SGR and the Intesa Sanpaolo Assicurazioni Group are also described in Eurizon Capital SGR's Sustainability Report and in the consolidated financial statements of the Intesa Sanpaolo Assicurazioni Group, respectively.

In 2022, Intesa Sanpaolo drew up its first High-Level Transition Plan for lending and investment activities, outlining the overall architecture of its transition journey. This approach was progressively refined, culminating in the definition of the "Sectoral Transition Plan" in 2023. This plan outlines the strategic actions to be implemented to achieve the objectives set for each sector.

In terms of the target setting process, the CSO Governance Area, in consultation with the CRO and CFO Governance Areas and the Bank's Business Divisions, as part of a dedicated project, formulated baselines and projections of the emissions generated by each sector, identify a possible target and designed the relevant transition strategy. These targets were reviewed by the ESG Control Room and the Steering Committee and then approved by the Board of Directors with the support of the Risk and Sustainability Committee.

The targets and related transition plan, which are included in this Consolidated Sustainability Statement, are described in more detail in the "Climate Report".

In order to achieve sector-specific emission reduction targets and accompany customers on their path towards decarbonisation, the Intesa Sanpaolo Group has identified several levers that enable and support the sustainable transition:

- Dedicated products and incentives, including:
  - a credit facility dedicated to the circular economy, designed for customers adopting an innovative circular business model, offering them favourable credit access conditions[122];
  - green financing aimed at financing / refinancing projects with a significant and measurable environmental impact, in line with the Green Loan Principles of the LMA (Loan Market Association);
  - sustainability-linked financing, structured in accordance with the LMA Sustainability-linked Loan Principles, with a symmetrical reward / penalty mechanism as an incentive for customers who meet predefined ESG KPIs;
  - Green, Social and Sustainability Bonds whose proceeds are used to finance/refinance green and/or social projects, in line with the ICMA (International Capital Market Association) Guidelines.
- Strategic partnerships and collaborations with public actors, such as multilateral development banks and government and private bodies, aimed at promoting joint transition initiatives, supporting green investments and facilitating access to innovative solutions for customers;

[114] In the same year, the Commercial Real Estate target was also revised to a level consistent with the trajectory to keep the temperature increase well below 2 degrees.

[115] Achieving the targets set for the Commercial Real Estate and Residential Real Estate sectors depends heavily on government policies to decarbonise the energy grid.

[116] Including the sector-specific targets defined for the Automotive, Commercial Real Estate, Iron & Steel and Power Generation sectors.

[117] The full demerger of Fideuram Asset Management SGR in favour of Fideuram - Intesa Sanpaolo Private Banking and Eurizon Capital SGR took effect from 1 July 2025.

[118] In October 2025 the Net Zero Banking Alliance changed its structure, transforming from a voluntary membership-based alliance to a new framework initiative, with the goal of continuing to provide guidelines to promote the transition in compliance with the Paris Agreement.

[119] On 13 January 2025, NZAMI launched a review of the initiative to ensure its appropriateness for the new global context, temporarily suspending the monitoring and reporting of the signatories. On 29 October 2025, the review was concluded with the relaunch of the initiative and the adoption of an updated framework introducing greater flexibility in setting targets, while maintaining the commitment to transparency and annual reporting. The Group renewed its commitments following the relaunch of the NZAMI.

[120] The Forum was announced by the United Nations Environment Programme (UNEP FI) following the notification of the termination of the Net-Zero Insurance Alliance on 25 April 2024.

[121] This document is reviewed by the Steering Committee and approved by the Board of Directors, with the support of the Risk and Sustainability Committee.

[122] The facility does not follow the technical screening criteria of the European Union Taxonomy, having been developed in close partnership with the Ellen MacArthur Foundation before the Taxonomy's entry into force.

- Support for customers in the decarbonisation process and in defining tailored ESG tools in line with their strategies and transition plans. Furthermore, consistent with the ESG commitments and objectives of the Business Plan and in line with the requirements of the European Union Taxonomy, several strategic initiatives were developed in 2024. Specifically, with regard to the IMI Corporate & Investment Banking Division, the initiatives included the development of green products and types of financing consistent with the criteria of the European Union Taxonomy, which were also extended to the Banca dei Territori Division during 2025;
- Development of initiatives aimed at facilitating loans for selected technologies, starting with the Iron & Steel sector. The goal is to pursue emissions reduction targets by enabling customer decarbonisation and cutting the emissions intensities of sector-specific portfolios. The Group intends to consider applying this approach to other high-emission sectors, thereby helping to achieve the 2030 emissions reduction targets;
- Finalisation of a programme designed to support the energy transition of buildings and encourage the adoption of the most energy-efficiency classes;
- Assist companies with transition plans that are aligned with Net Zero targets, including through financial products that are based on climate performance.

In order to ensure constant, comprehensive monitoring of the achievement of the targets defined, a structured process for monitoring results was implemented in four periodic iterations during the year. The purpose of these reviews is to monitor the progress of performance against the target set, while at the same time making it possible to prepare year-end reporting and final accounting.
During monitoring, a comparison is made between the performance reported and the baseline, target and benchmark curve in relation to each sector with the aim of quantifying any deviations. Where necessary, meetings are convened to share any proposals for actions and initiatives to be addressed by the business divisions to ensure the achievement of the targets set. For further information on the progress achieved against the targets set, reference should be made to the "Greenhouse gas emission reduction targets" section.

With reference to OpEx (administrative expenses) and CapEx (property and equipment) necessary to implement the transition plan, we note their limited significance given the Group's sector of operations.

Overview of sector-specific transition plans[123]
This section provides an overview of the sectors for which emission reduction targets have been set, providing, for each of them, the market context and the enabling factors, in addition to the Intesa Sanpaolo Group's decarbonisation strategy and levers for financed emissions (Scope 3).
For additional information about the targets relating to Sector-Specific Transition Plans, reference should be made to the "Climate change mitigation and adaptation objectives at the portfolio level" section.

1. Agriculture – Primary farming
Market context[124]
- In the context of climate change, agriculture plays a dual role. On the one hand, it contributes positively to combating climate change by helping to remove CO_2 through natural photosynthesis and the ability of soils to absorb carbon dioxide, supporting the balance of ecosystems and the reduction of global emissions. On the other hand, the agricultural sector is also a significant source of greenhouse gases. Practices such as the use of fertilisers and enteric fermentation processes in livestock farming account for a large proportion of the sector's overall emissions. In 2022, the agricultural sector accounted for around 14% of global emissions. In 2024, agriculture accounted for over 10% of the European Union's total emissions.
- According to the EU Effort Sharing Regulation, the agricultural sector in Italy, along with the civil sector, transport, waste management and industrial plants, must reduce emissions by 44% by 2030 compared to 2005 levels. The country's agricultural landscape is well-placed to support this transition: approximately 20% of Italian agricultural land is certified organic, which is double the EU average. Furthermore, a significant proportion of this land is dedicated to permanent crops, such as vineyards and olive groves, which reduce the need for fertilisers and machinery, while promoting carbon sequestration. These elements strengthen the sector's sustainability and its contribution to European decarbonisation objectives.

Enabling factors[125]
- The most widespread solutions for reducing the environmental impact of the sector include sustainable crop practices, such as using low-emission fertilisers, cover crops and bioenergy crops, as well as conservation agriculture to preserve soil carbon, including no-till farming, which does not involve ploughing the land. These are complemented by precision farming techniques that use data and sensors to optimise fertiliser and water usage. Other measures include efficient livestock management and the promotion of sustainable food systems (plant proteins, waste reduction and responsible sourcing), in addition to a focus on virtuous forest management to increase carbon removal.

[123] For more details on sector-specific transition plans, see the "Climate Report".

[124] Source: European Commission, "Study on options for mitigating climate change in agriculture by putting a price on emissions and rewarding carbon farming", https://climate.ec.europa.eu/news-your-voice/news/looking-how-mitigate-emissions-agriculture-2023-11-13_en; ISPRA, "Greenhouse gas emissions from agriculture", https://indicatoriambientali.isprambiente.it/it/agricoltura/emissioni-di-gas-serra-dallagricoltura; EEA, "Area under organic farming", https://www.eea.europa.eu/en/europe-environment-2025/countries/italy/area-under-organic-farming?activeTab=658e2886-cfbf-4c2f-a603-061e1627a515; Eurostat, "Agricultural production",https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Agricultural_production_-_crops#Grapes_for_wine; Joint Research Centre – European Commission, "GHG emissions of all world countries", https://edgar.jrc.ec.europa.eu/report_2025#data_download.

[125] Source: European Commission, "The common agricultural policy at a glance", https://agriculture.ec.europa.eu/common-agricultural-policy/cap-overview/cap-glance_en; European Commission, "An environmentally sustainable CAP", https://agriculture.ec.europa.eu/cap-my-country/sustainability/environmental-sustainability/cap-and-environment_en; European Commission, "Italy's CAP strategic plan",https://agriculture.ec.europa.eu/document/download/34058aa4-eee5-4579-99af-0e7c100d40ba_en?filename=csp-at-a-glance-italy_en.pdf.

- From a regulatory perspective, measures are being adopted at the European level to strengthen support for decarbonisation objectives. Of these, the Common Agricultural Policy (CAP) allocates around 387 billion euro for the period 2023–2027, 40% of which is earmarked for climate and environmental initiatives. In Italy, the CAP plan allocates over 10 billion euro to measures such as supporting organic farming, reducing the use of fertilisers and pesticides, and conserving soil.

Intesa Sanpaolo Group decarbonisation strategy and levers

- The Group has identified various strategies to accelerate the decarbonisation of the sector. These include providing financial support to customers with low emissions and promoting solutions that reduce the carbon footprint of counterparties. The offerings for companies in the agri-food sector include the following:
  - Crescita Agri for financial support to farms through the provision of funding for investment programmes;
  - S-Loan Green projects for investments in sustainable agriculture and livestock, forestry and environmental restoration.

  Furthermore, the Group supports the sector through a series of initiatives aimed at accelerating its transformation through the energy transition, internationalisation and supporting supply chains in terms of sustainability, innovation and competitive growth. This support is also part of the measures set out in the National Recovery and Resilience Plan (NRRP). In 2025, the Group announced the allocation of 10 billion euro of new credit for agri-food supply chains, in response to new scenarios driven by climate change.

2. Aluminium

Market context[126]

- In 2024, global aluminium production increased by around 2.5% compared to 2023. This was slightly lower than the 3% rise recorded in 2023 compared to the previous year. The increase was driven by growing demand and the essential role of aluminium in technologies for the transition, as well as in higher-value segments such as vehicles and digital devices. At the same time, emissions remained broadly stable in relation to 2023 production, standing at around 1.12 billion tonnes of CO_2 equivalent. This was thanks to improvements in energy efficiency, greater use of recycled aluminium (which accounts for more than a third of total production) and an increased contribution from renewables in smelting processes. However, in order to align with Net Zero targets, the sector's emissions intensity is expected to decrease by around 30% by 2030 and by 95% by 2050, compared with the current average.

Enabling factors[127]

- In order to accelerate the decarbonisation of the sector, it is crucial to prioritise proven technologies, such as the production of secondary aluminium, which uses recycled material and requires around 95% less energy than primary production. Italy is a global leader in this area, with production based exclusively on recycled aluminium, demonstrating the feasibility of a circular approach. These solutions are complemented by the use of inert anodes in production and alternative energy sources with low emissions (such as hydrogen and renewables).
- EU policies include initiatives such as the Carbon Border Adjustment Mechanism (CBAM) which, from 2026, will impose a carbon tax on imports. The aim is to avoid competitive distortions, align the cost of emissions generated by the production of imported goods with that incurred by European producers, and provide incentives to accelerate the transition towards a low-emission industry.

Intesa Sanpaolo Group decarbonisation strategy and levers

- Intesa Sanpaolo is committed to promoting the sector's transition by reducing industrial emissions and increasing the resilience of its portfolio. To this end, the Group has identified several strategic initiatives to support sector customers on their decarbonisation journey. These include supporting the transition towards sustainable solutions, financing companies that produce low-emission aluminium and encouraging projects that integrate renewable energy, process electrification, carbon capture utilisation and storage (CCUS) systems and other emission reduction solutions. In addition to these initiatives, support is provided for business models linked to the circular economy, particularly secondary production activities. This includes advanced systems for collecting, sorting and remelting scrap to improve the quality of recycled aluminium, in addition to investments in next-generation infrastructure and plants to support the transition and ensure a supply chain in line with emerging standards.

3. Automotive

Market context[128]

- Although the automotive sector is undergoing a profound transformation, progress towards climate objectives remains limited. The rising registration of electric vehicles and the gradual improvement in fuel efficiency are positive signs.

[126] Source: IEA, "Tracking aluminium", https://www.iea.org/energy-system/industry/aluminium; European Aluminium, "EPR 2024", https://european-aluminium.eu/wp-content/uploads/2024/11/2024-11-07-European-Aluminium-EPR-2024-Executive-Summary.pdf; International Aluminium, "Global aluminium industry greenhouse gas emissions intensity reduction continues", https://international-aluminium.org/global-aluminium-industry-greenhouse-gas-emissions-intensity-reduction-continues-with-total-emissions-below-2020-peak/; IEA, "World Energy Outlook 2025", https://www.iea.org/reports/world-energy-outlook-2025; International Aluminium, "Primary Aluminium Production", https://international-aluminium.org/statistics/primary-aluminium-production.

[127] Source: International Aluminium, "Aluminium recycling saves 95% of the energy needed for primary aluminium production", https://international-aluminium.org/landing/aluminium-recycling-saves-95-of-the-energy-needed-for-primary-aluminium-production/; Consorzio Nazionale Alluminio, "Precious aluminium and Italian leadership", https://www.cial.it/en/precious-aluminium-and-italian-leadership/.

[128] Source: IEA, "World Energy Outlook 2025", https://www.iea.org/reports/world-energy-outlook-2025; European Commission, "CO_2 emission performance standards for cars and vans", https://climate.ec.europa.eu/eu-action/transport/road-transport-reducing-co2-emissions-vehicles/co2-emission-performance-standards-cars-and-vans_en; European Parliament, "The crisis facing the EU's automotive industry", https://www.europarl.europa.eu/RegData/etudes/ATAG/2024/762419/EPRS_ATA(2024)762419_EN.pdf; European Commission, "CO_2 emissions from new cars and vans continued to decrease in 2023 as zero-emission vehicles registrations continued to grow", https://climate.ec.europa.eu/news-your-voice/news/co2-emissions-new-cars-and-vans-continued-decrease-2023-zero-emission-vehicles-registrations-2024-06-10_en; EEA, "New registrations of electric cars in Europe", https://www.eea.europa.eu/en/analysis/indicators/new-registrations-of-electric-vehicles; EEA, "Greenhouse gas emissions from transport in Europe", https://www.eea.europa.eu/en/analysis/indicators/greenhouse-gas-emissions-from-transport.

However, heavier, less efficient models are becoming increasingly common. In Europe, electric cars (including plug-in hybrids) accounted for 21% of new registrations in 2024, up from 3% in 2019. This helped reduce the average emissions of new cars to 107 g CO_2/km, which is 13% lower than in 2019. However, road transport emissions in the EU fell by just 6% compared to 2019, meaning the sector is still far from achieving its climate neutrality goals.

- In December 2025, the European Commission presented the "Automotive Package", which proposed revising certain key elements of the "Fit for 55" package for the automotive sector. This included converting the previous ban on registering new vehicles with internal combustion engines from 2035 into a target for manufacturers to reduce tailpipe emissions by 90%, as well as supporting European battery cell manufacturers with subsidised loans.
- An unstable regulatory framework, the lack of a widespread charging network and limited electric vehicle range have caused significant uncertainty in consumers' purchasing decisions, slowing the replacement rate of an ageing, inefficient vehicle fleet.

Enabling factors[129]

- To realign with Net-Zero objectives, it will be necessary to rapidly scale up electric vehicle sales (to around two thirds of new vehicle sales by 2030), invest in charging infrastructure and further strengthen support policies. These measures are complemented by additional solutions, such as hybrid systems, which have already been widely adopted and marketed. In contrast, hydrogen-powered vehicles are still in the early stages of development. Additionally, improvements in design and the use of lightweight materials help reduce emissions by boosting overall efficiency.
- To this end, the EU adopted the Alternative Fuels Infrastructure regulation in 2024, setting out binding targets for the development of charging stations at 60-kilometre intervals along main road networks. In 2025, the EU introduced the Automotive Action Plan, a strategic roadmap designed to boost demand through incentives and support innovation in clean mobility.

Intesa Sanpaolo Group decarbonisation strategy and levers

- The Bank supports the financing of low-emission mobility solutions and promotes initiatives related to electric vehicles, the latest hybrid systems and energy storage systems. In particular:
  - it supports customers throughout the entire value chain, including manufacturers and suppliers. In addition to its range of financial solutions, it offers advisory services and strategic partnerships that promote innovation, process optimisation and reduced environmental impact;
  - it supports customers with the investments needed for the transition to electric mobility, working with them to define and implement the most suitable financial strategy.

4. Cement

Market context[130]

- The cement sector is one of those posing the most ambitious decarbonisation challenge, as emissions are closely linked to the current production process, which involves intrinsic chemical reactions and the combustion required to reach high temperatures. In 2024, the sector accounted for around 8% of global CO_2 emissions, down by approximately 3.5% compared to the previous year and around 5% since 2019, mainly as a result of lower demand. According to the Net-Zero Emissions Scenario, the sector would need to reduce its carbon emissions intensity by 3% annually until 2035, compared to 2024 levels.

Enabling factors[131]

- The main levers to accelerate decarbonisation in the sector include reducing the use of materials with a high emission intensity through the use of lower-emission alternatives, improving the energy efficiency of kilns and production lines, electrifying certain processes and using alternative fuels. In addition, although carbon capture, utilisation and storage technologies currently face cost and infrastructure challenges, they may represent a complementary long-term solution for reducing residual emissions.
- Institutionally, the EU Innovation Fund is one of the world's leading programmes for low-carbon technologies. From 2021 to 2024, it awarded average grants of around 150 million euro to 16 projects in the cement sector, which are expected to reduce CO_2 emissions by 138 million tonnes. In addition, the EU's Horizon programme has funded 71 projects dedicated to cement decarbonisation, totalling 416 million euro. These projects have a strong focus on carbon capture, utilisation and storage technologies.

Intesa Sanpaolo Group decarbonisation strategy and levers

- The Group has outlined a strategy that is consistent with the sector's emission-reduction objectives, based on:
  - lending to customers engaged in the transition, assessing counterparties based on their published decarbonisation commitments and supporting investments and the implementation of innovative technologies that are instrumental in achieving Net-Zero targets;

[129] Source: IEA, "Outlook for electric mobility", https://www.iea.org/reports/global-ev-outlook-2024/outlook-for-electric-mobility; European Commission, "Action Plan for the European automotive sector", https://transport.ec.europa.eu/document/download/89b3143e-09b6-4ae6-a826-932b90ed0816_en.

[130] Source: IEA, "World Energy Outlook 2025", https://www.iea.org/reports/world-energy-outlook-2025; World Economic Forum, "Cement industry net-zero tracker", https://www.weforum.org/publications/net-zero-industry-tracker-2024/cement-industry-net-zero-tracker-2024/; IEA, "The Net Zero Emissions by 2050 (NZE) Scenario", https://www.iea.org/reports/global-energy-and-climate-model/net-zero-emissions-by-2050-scenario-nze; IEA, "Cement", https://www.iea.org/reports/cement-3; Our World in Data, "Annual CO_2 emissions from cement", https://ourworldindata.org/grapher/annual-co2-cement?tab=table&time=2023..latest; World Economic Forum, "Scaling the Industrial Transition: Hard-to-Abate Sectors and Net-Zero Progress in 2025", https://reports.weforum.org/docs/WEF_Scaling_the_Industrial_Transition_2025.pdf; World Economic Forum, "Concrete solutions: Decarbonizing cement and concrete across the value chain", https://www.weforum.org/stories/2025/09/a-value-chain-approach-to-decarbonizing-cement-and-concrete/.

[131] Source: European Commission, "EU Innovation Fund - Dashboard", https://dashboard.tech.ec.europa.eu/qs_digit_dashboard_mt/public/sense/app/6e4815c8-1f4c-4664-b9ca-8454f77d758d/sheet/bac47ac8-b5c7-4cd1-87ad-9f8d6d238eae/state/analysis; European Commission, "Learning from publicly funded research on cement decarbonisation options", https://publications.jrc.ec.europa.eu/repository/handle/JRC137848.

- supporting the development of targeted transition solutions through innovative technologies, such as lower-emission cementitious materials, the integration of renewable energy into production processes and investments in carbon capture, utilisation and storage systems;
- promoting the aggregation of operators to increase synergies and implement new investments aimed at the progressive decarbonisation of the sector.

5. Coal mining

The Intesa Sanpaolo Group's "Rules for lending operations in the coal sector"[132]define the limits and exclusion criteria for the lending operations in the segments of coal extraction and coal-fired power plants, supporting customers in their efforts to reduce their use of coal for the production of energy and encouraging the transition towards low carbon-intensity alternatives. The Group confirms that, in line with its exclusion policy, it achieved its objective of phasing out its exposure to counterparties active in coal mining in 2025, although a marginal amount remains, mainly attributable to a non-performing exposure.

6. Iron & Steel

Market context[133]

- Steel production is one of the industrial activities with the greatest impact on carbon emissions, accounting for around 7% of global CO_2 emissions. At the same time, it is a vital foundation for economic development and the green transition, as it provides the materials needed for infrastructure, transport, energy systems and advanced manufacturing. Since 2015, the sector's emissions have grown steadily, driven by rising global demand, with a significant concentration in China and India, where production processes with the greatest environmental impact prevail. Despite a decline in production (-1%), they remained broadly unchanged between 2023 and 2024, highlighting the sector's strong structural dependence on high-emission-intensity technologies. In order to align with the IEA's Net Zero Emissions Scenario, which requires a 3% annual reduction in total emissions and direct emission intensity until 2035, significant progress is needed.

Enabling factors[134]

- Technological innovations to support the sector's transition mainly concern the following: the use of green hydrogen as a replacement for coal; the use of recycled materials to eliminate the iron processing phase, which is the stage in production processes that generates the most emissions; expanding the energy supply from renewable sources, as well as carbon capture and storage.
- Targeted policies and public-private partnerships will be crucial in supporting the transition. For example, the EU Clean Steel Partnership is mobilising over 1.7 billion euro to support innovative technologies, from the research phase through to industrial-scale demonstration.

Intesa Sanpaolo Group decarbonisation strategy and levers

- The Group's aim is to facilitate the sector's transformation by focusing its actions on priority initiatives:
  - engage with customers to define and implement Net-Zero strategies, offering customised loan solutions to facilitate the adoption of technologies and tools that enable a sustainable transition. This includes advanced energy efficiency measures, the structural integration of renewable energy, the digitalisation of processes to optimise emissions, the electrification of processes and green innovation across the entire value chain;
  - finance decarbonisation projects through specific financial instruments. For example, support investments in innovative technologies for steel production via hydrogen, as well as additional solutions such as CCUS, low-emission materials and "near-zero" technologies for hard-to-abate sectors;
  - support counterparties that have defined, or are in the process of defining, clear and measurable climate targets, ensuring transparency in emissions-reduction pathways, including the decarbonisation of supply chains.
- In 2025, the Group launched a number of initiatives to facilitate loans for selected technologies, such as electric furnaces and hydrogen-ready plants. These initiatives aimed to support customers' decarbonisation efforts and reduce the emissions intensity of the sector.

7. Oil & Gas

Market context[135]

- Although new technologies are scaling up rapidly, and renewables recorded a record level of installations for the twenty-third consecutive year in 2024, the Oil & Gas sector continues to play an important role in global energy systems. Demand continues to grow in this sector, contributing to new highs in fossil fuel consumption. In 2024, emissions related to fuel extraction and processing accounted for approximately 11% of total global emissions and around 6% in relation to total European Union emissions.
- In 2024, oil demand remained stable at 100 million barrels per day (mb/d), with 45% due to road vehicle usage. In the IEA's "Current Policies Scenario" (CPS), which is based exclusively on measures already set out in existing laws and regulations and does not take into account any further policy changes, global oil demand is expected to increase to 105 mb/d by 2035 and 113 mb/d by 2050, with an average annual increase of around 0.5 mb/d. As transport and power generation become

[132] For additional information, reference should be made to the "Policies to mitigate and adapt to climate change" section.

[133] Source: IEA, "Tracking steel", https://www.iea.org/energy-system/industry/steel; World Economic Forum, "Steel industry net-zero tracker", https://reports.weforum.org/docs/WEF_Net_Zero_Industry_Tracker_2024_Steel.pdf; IEA, "Accelerating Sector Transitions Through Stronger International Collaboration", https://iea.blob.core.windows.net/assets/6633c3f9-2fdc-473b-a472-e2e91cba85ba/BreakthroughAgendaReport2024.pdf; IEA, "World Energy Outlook 2025", https://www.iea.org/reports/world-energy-outlook-2025.

[134] Source: European Steel Technology Platform, "About the Clean Steel Partnership", https://www.estep.eu/clean-steel-partnership.

[135] Source: IEA, "The Oil and Gas Industry in Net Zero Transitions", https://www.iea.org/reports/the-oil-and-gas-industry-in-net-zero-transitions; IEA, "Oil 2024 - Analysis and forecast to 2030", https://iea.blob.core.windows.net/assets/493a4f1b-c0a8-4bfc-be7b-b9c0761a3e5e/Oil2024.pdf; IEA, "World Energy Outlook 2025", https://www.iea.org/reports/world-energy-outlook-2025; Joint Research Centre – European Commission, "GHG emissions of all world countries",https://edgar.jrc.ec.europa.eu/report_2025#data_download.

increasingly diversified towards other fuels, the CPS predicts that petrochemicals will be the main driver of this growth in demand, alongside other industrial activities and the aviation sector.

Enabling factors

- A rapid expansion of renewable energy is considered the main driver of decarbonisation in order to achieve Net-Zero targets. In parallel, oil and gas companies are adopting advanced technologies to reduce emissions from their operations. These include electrifying upstream facilities with low-emission energy, reducing methane emissions from leaks and venting using technologies such as leak detection and repair (LDAR), stopping non-emergency flaring (i.e. the routine burning of natural gas released during oil production), using low-emission hydrogen and related derived fuels, using heat pumps and other electrification technologies to reduce demand for thermal energy and using carbon capture, utilisation and storage systems as a complementary solution to reduce residual emissions.
- Policymakers have confirmed their commitment to supporting the sector's transition. For example, the Italian regulator has confirmed that it will stop issuing new concessions for the exploration and production of liquid hydrocarbons in Italy from October 2024. At the same time, the initiatives under the REPowerEU programme aim to boost renewable energy and hydrogen production at the European level, reducing dependence on fossil fuels and accelerating the transition of the energy sector.

Intesa Sanpaolo Group decarbonisation strategy and levers

- The Intesa Sanpaolo Group promotes financial solutions (e.g. sustainability-linked, green and transition loans, green bonds and transition project financing) and advisory services related to sustainable activities to support customers' transition through investments in low-carbon technologies and solutions to improve the energy efficiency of operations.
- Furthermore, the Group has defined policies and rules introducing specific limits and exclusions for financing activities, reducing the services provided to companies operating in the sector. Indeed, with respect to unconventional oil and gas resources136, the Group confirms that it achieved its objective of phasing out operations by 2025, as set out in the updated "Rules for Oil & Gas Operations"[137], published in June 2024.

8. Power Generation

Market context[138]

- Power Generation, which is supported by the steady growth of renewable sources, is a key sector in achieving climate-neutrality objectives. According to IEA forecasts, global electricity generation from renewable sources is expected to increase by 60% between 2024 and 2030, rising from 9,900 to 16,200 TWh. Photovoltaics will account for over half of this growth, followed by wind power at 32%. It is estimated that the proportion of electricity generated from renewable sources will increase from 32% in 2024 to 43% in 2030. These global dynamics are also reflected at the European level. The changing composition of generation mix is driving emissions reductions in this sector which, in 2024, accounted for approximately 20% of total emissions. In the same year, the percentage of electricity generated from fossil fuels fell from 32% to 28% and that of energy generated from renewable sources grew from 44% to around 48%, while the percentage generated from nuclear sources remained stable at around 24%.
- Global electricity demand grew by around 4% in 2024, reflecting structural trends such as the electrification of transport, increasingly extreme weather conditions and the expansion of data centres and artificial intelligence applications. Most of this growth was covered by renewables, with solar accounting for the largest increase in generation capacity (+30% year on year in 2024). Consequently, the sector's emissions intensity decreased by 3% compared to 2023.

Enabling factors[139]

- In order to achieve decarbonisation objectives, the sector will be able to benefit from the rapid expansion of renewable energy, improved energy efficiency and increased electrification, leveraging technologies that are already available. The most significant contribution to reducing the sector's environmental impact is expected from the growth in global renewable energy generation capacity, which is being driven by Net-Zero targets and energy security policies.
- In this context, the institutions are promoting a regulatory and tax framework that favours the development of renewable energy sources. In Europe, the Renewable Energy Directive aims to raise the target for the share of renewable energy to at least 42.5% of the Union's total energy consumption by 2030, supporting growth in demand from the private sector and households. According to Italy's National Integrated Energy and Climate Plan (NECP), around 40% of gross final energy consumption in Italy is expected to come from renewable sources by 2030. The plan sets out a target to double the installed capacity of solar photovoltaics and wind by 2030, up from 50 GW to 107 GW. National targets are supported by legislative measures such as the "Decreto FER X" and "MACSE", which encourage the development of renewable energy sources and electricity storage capacity by offering competitive incentives and long-term contracts in order to facilitate the energy transition and ensure system flexibility.

Intesa Sanpaolo Group decarbonisation strategy and levers

- The Group defined its approach through the following strategic elements:

136 Unconventional resources defined as shale/tight oil, shale/tight gas, tar sands/oil sands, coal bed methane/coal seam gas.

137 For additional information, reference should be made to the "Policies to mitigate and adapt to climate change" section.

138 Source: IEA, "Renewables 2025", https://www.iea.org/reports/renewables-2025; IEA, "Electricity 2025", https://www.iea.org/reports/electricity-2025; European Commission, "Quarterly report Q4 2024 Electricity", https://energy.ec.europa.eu/document/download/139371bf-b50b-4fd4-afd1761b782a0703_en?filename=Quarterly%20report%20Q4%202024%20Electricity.pdf; Joint Research Centre – European Commission, "GHG emissions of all world countries",https://edgar.jrc.ec.europa.eu/report_2025#data_download.

139 Source: IEA, "Renewables 2025", https://www.iea.org/reports/renewables-2025; European Commission, "Renewable Energy Directive", https://energy.ec.europa.eu/topics/renewable-energy/renewable-energy-directive-targets-and-rules/renewable-energy-directive_en; MASE, "Piano Nazionale Integrato per l'Energia e il Clima", https://www.mase.gov.it/portale/documents/d/guest/pniec_2024_revfin_01072024-errata-corrige-pulito-pdf; Terna, "Scenario e Contesto di Mercato"; https://www.terna.it/it/investitori/strategia/scenario-contesto-mercato; MASE, "Entra in vigore il decreto FER X transitorio", https://www.mase.gov.it/portale/documents/d/guest/dm_30_dicembre_2024-pdf; Terna, "Disciplina del Meccanismo di Approvvigionamento di Capacità di Stoccaggio Elettrico", https://download.terna.it/terna/Disciplina%20MACSE_8dd5cc80c511758.pdf.

- active financial support, making available financial solutions designed to promote renewable energy, such as solar photovoltaics, onshore and offshore wind energy and battery energy storage systems, as well as innovative solutions such as green hydrogen and, additionally, carbon capture, utilisation and storage systems;
- multistakeholder engagement and partnerships, facilitating the creation of collaborations, e.g. through advisory services for mergers and acquisitions (M&A), partnerships with Multilateral Development Banks (MDBs) and support for public-private partnerships;
- as part of the European Commission's "Adaptation and Resilience to Climate Change" initiative, support customers in assessing physical risks related to climate change and implementing specific adaptation measures;
- financial solutions and strategic advisory services to foster sustainable investments and strengthen industrial value chains. The aim is to support the exploration of advanced technologies, such as next-generation nuclear power, green hydrogen production and renewable energy storage systems (co-location).

As a strategic advisor, the Bank also supports Italian and international customers with operations related to the energy transition and the decarbonisation of the energy mix.

9. Real Estate (Commercial and Residential)

Market context[140]

- Globally, the buildings sector accounts for over a quarter of final energy consumption, with around 70% of its CO_2 emissions originating from the residential sector. In 2024, electricity remained the main energy source, accounting for approximately 39% of the total, while the use of natural gas remained stable at 23%. In Europe, buildings account for 40% of the EU's annual energy consumption and generate 36% of its energy-related greenhouse gas emissions. Although the EU has made significant progress in reducing emissions from commercial buildings - achieving a 23% decrease in direct emissions between 2015 and 2023 - the overall pace of decarbonisation is still insufficient to meet climate targets. The sector's energy efficiency remains low, with an annual renovation rate of around 0.6%. Major renovation measures, which could reduce consumption by at least 60%, stand at just 0.3%. This progress is insufficient to meet the European Commission's target of reducing emissions by 55% by 2030, as outlined in the Renovation Wave.
- Similarly, energy efficiency in the residential sector remains limited. More than 80% of buildings were constructed prior to the introduction of EU Directive 2002/91/EC, and approximately 75% are considered inefficient under the European Energy Performance of Buildings Directive. Renovation rates remain low at around 1% per year, which is well below the level required to meet climate targets.

Enabling factors[141]

- To achieve a gradual reduction of emissions in this sector, targeted measures are required, such as the electrification of heating systems and the integration of renewable energy. Other solutions aimed at promoting energy efficiency include the thermal insulation of buildings, the reuse and recycling of construction materials and architectural innovations. In order to support this process, a strong acceleration in investment in major renovations is necessary.
- The European regulatory framework is evolving to support the transition. As part of the Green Deal finalised by the Commission, the Renovation Wave aims to renovate 35 million buildings by 2030. The support for less efficient buildings will come in the form of targeted funding and incentives. In addition, the Energy Performance of Buildings Directive requires Member States to establish national objectives for reducing the average energy consumption of residential buildings by 16% by 2030. At least 55% of this reduction must be achieved by renovating the least energy-efficient buildings.

Intesa Sanpaolo Group's decarbonisation strategy and levers for the Residential Real Estate sector

- The 2022-2025 Business Plan provided for the allocation of green lending worth 12 billion euro to individuals (for further information reference should be made to the section "Targets and metrics related to Green Mortgages"). In particular, with respect to the residential sector, the Group is supporting families' green transition by offering credit lines and specific products such as Green Mutuo Domus which is intended for the purchase or construction of properties with a high energy efficiency rating, as well as for renovation work. The offer includes favourable terms and, in the event of renovation, energy certification at the Bank's expense.
- The Bank has developed advisory services to help its customers analyse the risks and opportunities relating to the efficiency of their assets.

Intesa Sanpaolo Group's decarbonisation strategy and levers for the Commercial Real Estate sector

- The Bank supports the sector's transition by offering financial instruments and dedicated services:
  - strategic advisory services to support customers in identifying sustainability solutions and leveraging available government grants;
  - support with renovations, energy efficiency upgrades or the earthquake-proofing of buildings, providing for the possibility of assigning a tax deduction to the Bank[142];

[140] Source: IEA, "Buildings", https://www.iea.org/energy-system/buildings; European Environment Agency, "Building renovation: where circular economy and climate meet", https://www.eea.europa.eu/publications/building-renovation-where-circular-economy; IEA, "Breakthrough Agenda report 2023", https://www.iea.org/reports/breakthrough-agenda-report-2023/buildings; IEA, "World Energy Outlook 2025", https://www.iea.org/reports/world-energy-outlook-2025; European Commission, "Questions and Answers on the Renovation Wave", https://ec.europa.eu/commission/presscorner/api/files/document/print/en/qanda_20_1836/QANDA_20_1836_EN.pdf; European Commission, "Energy Performance of Buildings Directive", https://energy.ec.europa.eu/topics/energy-efficiency/energy-performance-buildings/energy-performance-buildings-directive_en; Bruegel, "How to finance the EU's building decarbonisation plan", https://www.bruegel.org/sites/default/files/2024-10/PB%2012%202024_1.pdf; BPIE, "On the way to a climate neutral Europe", https://www.bpie.eu/wp-content/uploads/2020/12/On-the-way-to-a-climate-neutral-Europe-_Final.pdf.

[141] Source: European Commission, "Renovation Wave", https://energy.ec.europa.eu/topics/energy-efficiency/energy-performance-buildings/renovation-wave_en; EU Parliament, "Energy Performance of Buildings Directive", https://www.europarl.europa.eu/RegData/etudes/ATAG/2024/762311/EPRS_ATA%282024%29762311_EN.pdf.

[142] With regard to the works set out in Articles 119-121 of Decree-Law no. 34/2020, converted into Law no. 77/2020 ("Rilancio Decree"), as amended.

- loans with favourable conditions linked to increased energy efficiency standards and the implementation of sustainable building solutions. For example, the Group offers financial products such as S-Loan Green Projects related to buildings certified with the highest level of environmental standards and through Intesa Sanpaolo Rent ForYou. The latter scheme provides medium and long-term rental solutions to optimise and manage consumption (such as IoT sensors, software and artificial intelligence to control electrical systems) and to support the transition to sustainable energy (such as solar panels);
- a programme dedicated to the Commercial Real Estate sector, with the aim of providing tools for active portfolio steering towards high-performance energy classes (Class A). In order to enrich the information assets relating to the CRE portfolio and drive active steering strategies, the operating models of the Divisions were updated to include the requirement to collect Energy Performance Certificates (APEs) as part of the loan disbursement process. The main goal is to help the Bank achieve its emissions intensity target, while also aligning with European regulations that require an increase in the coverage of actual energy classes in the portfolio, as well as improving the quality of the Bank's collateral, thereby contributing to the mitigation of credit risk.

For the Real Estate sector, the achievement of this target is highly dependent on the implementation of government policies to decarbonise the energy grid.
For more details, see the section "Climate Change Actions and Resources at the Portfolio Level".

Greenhouse gas emission reduction targets

Description of the objective
The aforementioned sectors for which 2030 emission reduction targets have been set, approved by the Bank's Board of Directors, were identified based on their materiality for the Group and their higher emissions intensity in line with the "Guidelines for Climate Target Setting for Banks" issued by UNEP FI.

The period of application of the targets set by Intesa Sanpaolo runs from 2021 for the Oil & Gas and Coal mining sectors and from 2022 for the other sectors.

The methodological choices adopted by the Intesa Sanpaolo Group relating to baselines, metrics and target setting were defined taking into consideration i) "Guidelines for Climate Target Setting for Banks", issued by UNEP-FI (April 2021) and ii) Financial Sector Science-Based Targets Guidance - version 1.2, issued by SBTi. Therefore, the climate targets set by the Group pursue the temperature targets of the Paris Agreement[143] and support the transition to a net-zero economy by 2050. Furthermore, the choices regarding the selection of the value chain segment, the emissions considered and the proxies used are in line with PCAF (Partnership for Carbon Accounting Financials) methodologies. The Group applies science-based scenarios, such as the IEA Net-Zero 2050, whose curves are aligned with the temperature targets of the Paris Agreement.

The Bank's lending and investment activities considered in the perimeter are as follows:
- Medium- to long-term financing (with the exception of the Oil & Gas and Coal Mining sectors, for which short-term financing is also considered);
- Hold-To-Collect (HTC) bonds for the Oil & Gas sector;
- Banking book equity, if material.

Small or medium-sized enterprises (SMEs), defined as specified in Article 501, paragraph 2, letter b), of the CRR, which refers to Commission Recommendation 2003/361/EC, are excluded only if they are unaffiliated sole proprietorships. The reason for the exclusion of SMEs lies in the limited availability of data for smaller, unlisted companies, which would imply extensive use of sector-specific proxies for estimating emissions and production data and could lead to a strong convergence of the portfolio figure towards the sectoral average.

For the Agriculture – Primary Farming sector, SME Corporate counterparties with a turnover of more than 10 million euro are included in order to define a boundary that is representative of the typical size of counterparties financed in this sector.

SMEs[144] (but not retail SME customers) are included in the Commercial Real Estate segment in accordance with SBTi Guidance, while the Residential Real Estate segment only includes exposures to Private Retail counterparties.

In order to avoid double counting of emission data, only certain segments of the value chain are considered for each sector. The sectors and related segments considered are defined according to the internal classification based on NACE codes at the Group level.

Below are the segments of the value chain considered for each sector:
- Agriculture – Primary Farming: focus on counterparties active in the primary farming sub-sector;
- Aluminium: focus on aluminium producers;
- Automotive: focus on light vehicle production (passenger cars and light trucks). Component manufacturers are excluded;
- Cement: focus on cement and clinker producers;
- Iron & Steel: focus on companies producing crude steel and using iron (or scrap) as input. Mining, steel finishing and downstream activities are excluded;

[143] Except for the target set for the Residential Real Estate sector.

[144] The Commercial Real Estate boundary includes corporate SME but not retail SME customers. Corporate SMEs are defined as undertakings with an individual/group size indicator between 2.5 and 50 million or with an individual/group size indicator below 2.5 million if the individual/group exposure is greater than or equal to 1 million.

- Oil & Gas: focus on upstream operators and those operating along the entire value chain. Refineries, pipelines and downstream activities are excluded;
- Power Generation: focus on power generation and integrated operators. Electricity transport and distribution are excluded;
- Commercial Real Estate and Residential Real Estate: focus on emissions related to the use of buildings in Italy.

For each sector, the emission categories considered are:
- Agriculture – Primary Farming: Scope 1 and 2;
- Aluminium: Scope 1 and 2;
- Automotive: Scope 3 WTW (Well-to-Wheel);
- Cement: Scope 1 and 2;
- Iron & Steel: Scope 1 and 2;
- Oil & Gas: Scope 1, 2 and 3;
- Power Generation: Scope 1 and 2;
- Commercial and Residential Real Estate: Scope 1, 2 and 3.

For all sectors, the Bank uses the Sectoral Decarbonisation Approach (SDA) methodology to measure and reduce an emission intensity metric for each sector defined as the ratio of financed emissions to financed output (financed surface area for Commercial and Residential Real Estate). For Agriculture – Primary Farming, the Bank adopted a "'revenue intensity" metric that measures emissions relative to total counterpart revenue.

Specifically, the emission intensity metrics for the different sectors are as follows:
- Agriculture – Primary Farming: tCO_2eq/€M in revenue;
- Aluminium: tCO_2eq/t aluminium;
- Automotive: gCO_2eq/vkm;
- Cement: tCO_2eq/t cement;
- Iron & Steel: tCO_2/t steel;
- Oil & Gas: gCO_2eq/MJ;
- Power Generation: $kgCO_2eq$/MWh;
- Commercial Real Estate and Residential Real Estate: $kgCO_2eq/m^2$.

With respect to the Coal Mining sector, Intesa Sanpaolo has not set a target based on emission intensity; instead, it has adopted a phase-out policy. The Group confirms that, in line with its exclusion policy[145], it achieved its objective of phasing out its exposure to counterparties active in coal mining in 2025, although a marginal amount remains, mainly attributable to a non-performing exposure. For the Oil & Gas sector, the progressive alignment of the portfolio with climate neutrality objectives is also governed by the "Rules for Operations in the Oil & Gas Sector". In 2025, the Group finished phasing out its exposure to counterparties associated with unconventional Oil & Gas resources.

The method described here made it possible for each target defined and reported to identify a number of levers conducive to achieving the decarbonisation objectives. The main levers were made explicit and emphasised in the "Sectoral Transition Plan" section.

In this context, the Group monitors progress towards the achievement of its targets, reporting annually on the level of progress. To this end, physical intensity and absolute emissions[146] are published. The Group has not defined any GHG emissions target in absolute terms.

Metrics and data may be updated over time based on developments in emission calculation methods, updates to the UNEP FI and SBTi Guidelines, as well as updated data sources and established market practices. Moreover, metrics and data are based on projections and estimates that rely on sector-specific assumptions and strategic plans of the underlying entities, some of which may depend heavily on external factors, such as but not limited to technological improvements and/or implementation of government policies. Metrics are calculated using data whose quality and availability is subject to change over time.

[145] Rules for lending operations in the coal sector.

[146] Disclosure about the absolute emissions associated with the targets set is available in the Intesa Sanpaolo Group "Climate Report".

Climate change mitigation and adaptation objectives at the portfolio level[147]

Target: Agriculture – Primary farming - financed emissions in terms of tCO2eq/€MM		
	Date	**Value**
Baseline	31.12.2022	721
Final number	31.12.2024	675
Final number	31.12.2025	671
Target	2030	641

Target: Aluminium - financed emissions in terms of tCO2eq/t Aluminium		
	Date	**Value**
Baseline	31.12.2022	4.79
Final number	31.12.2024	4.38
Final number	31.12.2025	3.03
Target	2030	4.31

Target: Automotive - financed emissions in terms of gCO2eq/vkm		
	Date	**Value**
Baseline	31.12.2022	192
Final number	31.12.2024	192
Final number	31.12.2025	175
Target	2030	100

Target: Cement - financed emissions in terms of tCO2eq/t		
	Date	**Value**
Baseline	31.12.2022	0.65
Final number	31.12.2024	0.64
Final number	31.12.2025	0.63
Target	2030	0.50

Target: Coal Mining - exposure in €/billion		
	Date	**Value**
Baseline	30.06.2021	0.20
Final number	31.12.2024	0.01
Final number[148]	31.12.2025	0.01
Target	2025	0

Target: Iron & Steel - financed emissions in terms of tCO2/t steel		
	Date	**Value**
Baseline	31.12.2022	1.05
Final number	31.12.2024	0.82
Final number	31.12.2025	0.90
Target	2030	0.81

Target: Oil & Gas - financed emissions in terms of gCO2eq/MJ		
	Date	**Value**
Baseline	30.06.2021	64
Final number	31.12.2024	64
Final number	31.12.2025	63
Target	2030	55[149] (52-58)

Target: Power Generation - financed emissions in terms of kgCO2eq/MWh		
	Date	**Value**
Baseline	31.12.2022	202
Final number	31.12.2024	123
Final number	31.12.2025	108
Target	2030	110

Target: Commercial Real Estate - financed emissions in terms of kgCO2eq/m²		
	Date	**Value**
Baseline	31.12.2022	43.16
Final number	31.12.2024	38.94
Final number	31.12.2025	36.14
Target[150]	2030	22.11

Target: Residential Real Estate - financed emissions in terms of kgCO2eq/m²		
	Date	**Value**
Baseline	31.12.2022	30.13
Final number	31.12.2024	28.77
Final number	31.12.2025	26.88
Target[151]	2030	19.26

In 2025, relative emissions (i.e. physical intensity) continued to improve thanks to a portfolio composition strategy that considers customers' decarbonisation commitments and includes financing innovative technologies and renewable energy.

147 The targets may vary depending on changes in the reference scenarios.

148 The Group confirms that, in line with its exclusion policy, it achieved its objective of phasing out its exposure to counterparties active in coal mining in 2025, although a marginal amount remains, mainly attributable to a non-performing exposure.

149 Central value of the target range identified.

150 The achievement of the target is highly dependent on the implementation of government policies to decarbonise the energy grid.

151 The achievement of the target is highly dependent on the implementation of government policies to decarbonise the energy grid.

Objectives and metrics relative to Green Mortgages

The Group's objective relating to the disbursement of Green Mortgages included in the 2022-2025 Business Plan was largely exceeded, disbursing up to approximately 15 billion euro in 2025 during the term of the Plan. This objective was achieved mainly through the involvement of the business divisions that, starting from the analysis of the economic and commercial reference context and through the definition of specific actions and initiatives to support customers, proposed and coordinated the offer of dedicated product solutions and services in order to promote evolution in the realm of environmental sustainability.

The Intesa Sanpaolo Group contributed to the reduction of carbon emissions and promoted access to sustainable housing solutions through the provision of loans for energy-efficient real estate projects and the improvement of existing energy performance.

The scope of the target includes loans to private individuals disbursed throughout Italy and in the countries where the banks of the International Banks Division (IBD) have branches. Originally focused on the Italian market, it was possible to extend the Group's internal classification rules for products and sustainable lending transactions to the foreign boundary as well.

As reported in the "Climate Change Actions and Resources at the Portfolio Level" section below, the Group supports the green projects of retail customers, including the Green Mortgage, a mortgage loan with favourable terms to finance the purchase/construction of energy-efficient buildings or the upgrading of existing buildings, improving their performance. In accordance with the objective set out in the 2022-2025 Business Plan, the Group contributed to facilitating the renovation of Italy's real estate assets and the diffusion of energy-efficient homes in synergy with the EeMAP criteria (a European initiative – that the Group has signed on to – that aims to create a standardised energy efficiency mortgage loan at the European level).

Target: Green Mortgages Disbursed – cumulative disbursement in €/billion[152]		
	Date	**Value**
Baseline[153]	31.12.2021	-
Final number	31.12.2024	9
Final number	31.12.2025	15
Target	31.12.2025	12

Specifically, in 2025, the total amount disbursed in connection with Green Mortgages, shown in the "Actual" field of the table above, amounts to around 15 billion euro, of which more than 6 billion euro was disbursed in 2025.

Furthermore, a regulatory source was used in order to calculate the disbursed amount for 2025 and 2024. In previous years, the amount disbursed was derived entirely from management sources.

Climate change actions and resources at the portfolio level

With respect to the goal of supporting the ecological transition, the 2022-2025 Business Plan included the following actions: (i) sustainable lending initiatives for retail customers, (ii) support to SMEs/Corporates in their journey towards sustainability, including by strengthening sustainable lending and holding ESG Workshops, in collaboration with specialised partners (for more detail, see the "Metrics and targets" section of ESRS S4). The actions relating to the Banca dei Territori, International Banks Division (IBD), IMI Corporate & Investment Bankingand Wealth Management Divisions are set out below. For additional information on the processes implemented in the management of ESG risks, reference should be made to the "Policies to mitigate and adapt to climate change" section at portfolio level.

With respect to the Banca dei Territori Division, the Group continued to provide loans and mortgages for environmental purposes to retail customers in 2025. The provisions of the European Energy Performance of Buildings Directive (EPBD) provide for the gradual upgrading of the building stock in EU countries. With this in mind, the banking system is urged to play a transformative role in directing financial investments towards activities that can help reduce the EU's dependence on fossil fuels, thereby supporting the achievement of the EU's climate targets for net-zero emissions by 2050. The financing solutions proposed by the Intesa Sanpaolo Group are not only available to support the purchase or construction of an energy-efficient property, but also to those who want to improve energy efficiency through, for example, the replacement of windows and doors and high-performance boilers, the purchase of environmentally-friendly vehicles and installation of solar and photovoltaic panels.

In this context, the Group proposes "Green - Mutuo Domus": a subsidised mortgage (reduction of the Annual Percentage Rate (APR) and free energy certification for renovation purposes) which makes it possible to purchase and build an energy efficiency property or to renovate a residential property in Italy improving its energy performance. For more information on Green Mortgages, see the section "Targets and metrics related to Green Mortgages".

The range of green solutions has been enriched with a series of dedicated services, some of which are provided by partner companies. These additional and optional services help to assess the possible savings that can be made through energy redevelopment measures, for example. Consistent with the regulatory framework defined by Regulation EU 2020/852 on the European Taxonomy, the Intesa Sanpaolo Group has implemented a series of activities aimed at providing information on the energy performance of buildings as collateral for loan applications.

The Intesa Sanpaolo Group participates in the European Energy Efficiency Financing Coalition and the "Energy efficient Mortgages Action Plan" (EeMAP) project. As part of "EeMAP", Intesa Sanpaolo has also joined the "Energy Efficient Mortgage Label" (EEML), a project that aims to maximise the regulatory alignment of the portfolio with key legal developments such as the European Union Taxonomy, the Mortgage Credit Directive (MCD), the Capital Requirements Regulation (CRR), or

[152] Entity-specific metric.

[153] Plan target that represents the planning of a new activity that does not have a base Value.

international equivalents. As part of the EEML project, starting in 2021, each quarter the Intesa Sanpaolo Group reports aggregate figures on the green portfolio and the standard portfolio.

The main products proposed to SME customers include the sustainability-linked "S-Loan" to support small- and medium-sized enterprises that aim to improve their sustainability profile to assist them on a path of structural change, associating their economic and financial decisions also with their environmental impacts, through precise commitments undertaken with the Group using specific ESG indicators (KPIs) subject to annual monitoring.

The "S-Loan Green projects" supports all types of business investments capable of generating a positive environmental impact on processes, infrastructure, technologies, services, and products. Specifically, with regard to climate change mitigation and adaptation, eligible investments concern:
- renewable energies;
- energy efficiency;
- sustainable transport;
- climate change adaptation;
- green buildings.

In addition, Intesa Sanpaolo provides "S-Loan CER" financing for companies that decide to invest in renewable energy and which benefit from an incentive in terms of an interest rate subsidy, with an additional bonus if the undertaking allocates part of the energy produced and not self-consumed to the Renewable Energy Community[154] (CER).

Among the products that support professionals and undertakings in the realisation of investment programmes in the energy sector is the "Energia Impresa" loan, which has several lines of action:
- plants for generating electricity from renewable sources (RES projects);
  - photovoltaics, electricity generation from photovoltaic solar energy;
  - wind power, electricity production from wind power only onshore;
  - hydroelectricity, production of electricity from hydraulic sources classified as "small derivation";
  - residual gases from purification processes;
- small-scale biogas plants for the production of electricity from biogas;
- biomethane plants, for the production of biomethane for transport or other uses;
- energy efficiency measures, for investments in the energy efficiency of buildings, thermal and electrical consumption, and energy production plants.

"NOVA+" is the specific medium- to long-term financing line designed to support undertakings for research, development and innovation projects. The Nova+ Research line includes specific products:
- "Nova+ Green": intended to support product or process innovation projects aimed at achieving climate neutrality or the integration of circular economy processes;
- "Nova+ Mobility": intended to support innovative projects of undertakings aimed at the transition of mobility towards a new paradigm of sustainability, digitisation and connectivity;
- "Nova+ Agritech": intended to support innovative projects of undertakings aimed at the transition of agriculture towards a new paradigm based on principles of sustainability, resilience and productivity.

S-Loan Green projects, Energia Impresa and NOVA+ are addressed to all undertakings/groups of any sector and size in Italy.

The medium- to long-term loan with a SACE Growth Guarantee was introduced on 1 April 2025. This includes support for general and environmental sustainability investments (Green Module), replacing the medium- to long-term loan products with SACE Green and SACE Futuro guarantees. The Green Module supports the needs of undertakings by facilitating the implementation of projects in Italy that aim to make the transition to a lower-impact economy easier. These projects integrate production cycles with low-emission technologies to produce sustainable goods and services, and promote new, lower-emission mobility solutions. This initiative is aimed at corporations, including cooperative companies, that have a registered (or secondary) office in Italy.
Accordingly, the InvestEU – Sustainability Guarantee can be granted on financing operations designed to support the achievement of climate change mitigation and adaptation objectives, and is targeted at customers falling within the SME and Small Mid Cap company size for operations that meet certain eligibility criteria set by the European Investment Fund.

Furthermore, the Think Forestry programme was launched in November 2023 to provides access to a network of leading national forestry initiatives through an agreement with the Climate Network non-profit organisation. In this context, an extensive planting programme was launched with the aim of contributing to the "reforestation" of the Italian territory. The Bank actively participates in the programme by carrying out tree planting in several Italian cities and encouraging the participation of its corporate customers.
In 2025, Intesa Sanpaolo launched CO_2 mitigation solutions, a product designed for businesses willing to commit to reducing their emissions through actions within their value chain. This product supports businesses in measuring their carbon footprint and in purchasing carbon credit certificates. This product supplements the tools that the Bank has already developed to raise awareness of these issues among undertakings, including the ESG platform, which supports the collection of information on companies' ESG performance and enables their profile and positioning to be analysed against relevant benchmarks.

[154] An Energy Community is an association that produces and shares renewable energy, in order to generate and manage cost-effective green energy on its own, while significantly reducing CO_2 emissions and energy waste. Participants can include citizens, businesses, public authorities, small and medium-sized enterprises.

With particular regard to the topic of adapting to climate change, the Intesa Sanpaolo Group confirmed its concrete commitment to support the populations affected by natural disasters in Italy by activating dedicated credit lines, providing new subsidised loans intended for the restoration of damaged properties (houses, shops, offices, artisan workshops, companies), suspensions on existing loans, actions in the area of protection and preferential, simplified and expedited procedures.

For more details on Sustainable Finance, with reference to climate/environmental topics, see the "Sustainable finance metrics" section of ESRS S4.

With respect to the International Banks Division (IBD), a strong commitment to the green transition of its customers is emphasised both through a commercial offer dedicated to the financing of projects aimed at increased energy efficiency, support of the circular economy and the containment of climate impact, and through awareness initiatives for the dissemination of knowledge and understanding of ESG issues.
In the retail and micro-business sector, dedicated solutions such as loans and Green Mortgages for the purchase, construction and increased energy efficiency of real estate are available in the catalogue.
In 2025, the “Green dedicated S-loan” product was also marketed in Privredna Banka Zagreb, in addition to the other banks of the Division – Všeobecná úverová banka (VUB), CIB Bank and Banca Intesa Beograd.

The financial products of the IMI Corporate & Investment Banking Division focuses on ESG solutions with special attention to environmental aspects. It includes sustainability-linked instruments that encourage customers to improve their sustainability performance, and loans with proceeds earmarked for environmental and circular economy projects, promoting decarbonisation and reuse of resources. In particular, in terms of sustainability-linked solutions, in 2025, the Group supported its customers with loans, bonds, guarantees, securitisations and hedging activities, while the transactions with earmarked income include green loans, green, social and sustainable bonds, green convertible bonds, as well as project finance dedicated to the world of renewable energy (wind, photovoltaic, biomass, hydroelectric).

The Division also offers a wide range of advisory services focused on the sustainable transition. Specifically, an ESG Advisory Team was established in 2023 to assist customers served by IMI Corporate & Investment Banking in the development of customised ESG tools linked to their strategies and transition plans.

Through its IMI Corporate & Investment Banking Division, in 2025, Intesa Sanpaolo took part in numerous bond issues with ESG features promoted by Italian and foreign corporate issuers and leading financial institutions.

In this context, Intesa Sanpaolo played a significant role in the green bond market, participating as global coordinator and joint bookrunner in A2A’s first ten-year European Green Bond issue and contributing to other major European Green Bond issues such as those of Snam and Terna[155]. These activities help to strengthen the Intesa Sanpaolo Group’s positioning in international markets and confirm its commitment to supporting companies and financial institutions in creating sustainable value.

To encourage investments in electricity generation projects from renewable sources, particularly photovoltaics and wind power, Intesa Sanpaolo has launched a new initiative in collaboration with SACE. Thanks to this opportunity, undertakings will be able to obtain financing of up to 50 million euro for project-based initiatives, with SACE covering up to 50% of the financed amount. The IMI Corporate & Investment Banking Division prioritises facilitating this kind of investments and contributing to the energy autonomy of companies and the country. To this end, it makes the expertise of its specialist project finance desks available to support more complex, large-scale projects. The IMI Corporate & Investment Banking Division of Intesa Sanpaolo and the European Investment Bank (EIB) signed two financial transactions totalling 750 million euro, aimed at supporting the construction of 2 GW of renewable energy generation plants and mobilising investments in the real economy totalling more than 4.5 billion euro. The first transaction refers to a 500 million euro funding framework to support photovoltaic, wind and bioenergy projects. The second transaction provides for a 250 million euro counter-guarantee, under the EIB’s “Wind Package”, to encourage new investments in the European wind supply chain.

Lastly, with regard to asset management, in 2024, Fideuram Asset Management SGR[156], Fideuram Asset Management (Ireland) and Eurizon Capital SGR signed the Global Investor Statement to Governments on the Climate Crisis, an initiative urging governments to strengthen their climate policies in order to contain the rise in temperatures within 1.5 degrees Celsius[157].

A precise quantification of the emission reduction with respect to each action at the portfolio level is not possible due to the complex connection between actions taken and emission trends in the counterparties' sectors

Energy consumption metrics

The Group measures and reports its annual energy performance through the following tables: “Energy consumption and mix” and “Energy intensity based on net revenue in high climate impact sectors”.

Energy consumption and mix

This section covers the energy consumption metrics applicable to the Group’s own operations.

[155] European green bonds are based on the voluntary European standard known as the “European Green Bond Standard” which, in turn, is based on the European Union Taxonomy criteria for defining sustainable economic activities. The new regulation aims to ensure standardisation and transparency in line with market best practices, and to establish a European supervisory system for companies responsible for reviewing bond pre- and post-issuance documentation.
[156] The full demerger of Fideuram Asset Management SGR in favour of Fideuram - Intesa Sanpaolo Private Banking and Eurizon Capital SGR took effect from 1 July 2025.
[157] For more details on sustainability issues (with specific reference to environmental matters) for the Wealth Management divisions, see the Climate Report.

In particular, the table below shows the Group's energy consumption in 2025 with the aim of providing a detailed and exhaustive picture of the energy consumed by the processes owned or controlled by the Group. Specifically, total energy consumption is broken down by fossil, nuclear and renewable energy sources. Furthermore, self-production of renewable and non-renewable energy is also shown. For information on the reference boundary at 31 December 2025, reference should be made to the "Basis for preparation and methodology" section of the ESRS 2 – General disclosures chapter.

The figures shown below are in megawatt-hours (MWh).

Table 5[158] – Energy consumption and mix (in MWh)

	2025	2024
Total energy consumption	**550,853**	**565,284**
Total fossil energy consumption	*229,189*	*233,889*
Fuel consumption from coal and coal products	-	-
Fuel consumption from crude oil and petroleum products	35,091	36,475
Fuel consumption from natural gas	136,550	136,694
Fuel consumption from other fossil sources	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	57,548	60,719
Share of fossil sources in total energy consumption	41.6%	41.4%
Consumption from nuclear sources	*108*	*4,661*
Share of consumption from nuclear sources in total energy consumption	0.0%	0.8%
Total renewable energy consumption	*321,556*	*326,735*
Fuel consumption from renewable sources	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	320,130	325,382
Consumption of self-generated non-fuel renewable energy	1,427	1,353
Share of renewable sources in total energy consumption	58.4%	57.8%
Non-renewable energy production	23,817	23,539
Renewable energy production	1,516	1,353
Total energy consumption from activities in high climate impact sectors	445	1,081
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	0.000004	0.00002

In 2025, the reduction in energy consumption continued (down 2.5% compared to 2024). In particular, there were decreases in electricity from fossil sources (-2%) and in natural gas consumption for independent and building heating systems. With respect to district heating, the mix shows a reduction in the renewable component in favour of the fossil component due to a more prudent approach to reporting the figure. The significant reduction in energy consumption from nuclear sources is due to the purchase of more energy from renewable sources and the reclassification of a share of purchased energy without origin certifications as energy from fossil sources.
With respect to energy associated with the company fleet, there was a reduction in the use of fossil fuel, in addition to an increase in the use of electricity for vehicle charging. This development reflects the increasing electrification of the car fleet, which contributes to changes in the overall energy mix.

The Group also operates in high climate impact sectors. Consequently, it reports its energy consumption from fossil fuels disaggregated by sources. Furthermore, only to the extent of high climate impact sectors, it provides information on energy consumption and energy intensity (total energy consumption per net revenue) associated with activities in these sectors.

In this respect, it is noted that high climate impact sectors are those listed in sections from A to H and in section L of the Statistical classification of economic activities (NACE), as per Commission Delegated Regulation (EU) 2022/1288: a small number of Group companies operate in sectors covered by sections F-Construction, G-Wholesale and Retail Trade and L-Real Estate Activities. Consequently, "total energy consumption from activities in high climate impact sectors" shows total energy consumption gross of energy from fossil fuel, nuclear sources and renewable sources related to own operations in these sectors. At the end of 2025, energy consumption related to activities in high climate impact sectors had fallen by 58.8%, from 1,081 MWh in 2024 to 444.56 MWh, mainly as a result of the disposal of certain Group properties.

"Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors" is calculated as follows: "total energy consumption from activities in high climate impact sectors (MWh)/net revenue from activities in high climate impact sectors (euro), with the above figure as the numerator and the net revenue attributable to the above activities (high climate impact) as the denominator. As shown in the table, this figure is negligible.

[158] Numbering refers to the XBRL tables published by EFRAG.

Energy intensity based on net revenue in high climate impact sectors[159]

The table below provides useful information for understanding the denominator of the energy intensity ratio. Specifically, it shows the net revenue from activities in high climate impact sectors (as defined earlier) in which the Group operates, which is used to calculate the above energy intensity, in addition to the net revenue[160] broken down by the component not attributable to activities in high climate impact sectors. Specifically, in order to determine energy intensity, the Intesa Sanpaolo Group identified the following high climate impact sectors as material for its scope of operations: the Construction sector, the Wholesale and Retail Trade sector and the Real Estate Activities sector.
Figures are shown in million euro and refer to the Group as a whole.

Table – Connectivity of revenue-based energy intensity with financial reporting information

(millions of euro)

	2025	2024
Net revenue from activities in high climate impact sectors	106	65
Net revenue from activities other than in high climate impact sectors	45,670	51,893
Net revenue	45,776	51,958

In 2025, net revenue arising from activities in high climate impact sectors increased by 63%, from 65 million euro in 2024 to 106 million euro in 2025. This increase is mainly due to a Group company which recognised higher operating income as a result of the rise in the consideration received from customers for the sale of goods.
At the same date, net revenue arising from activities in sectors other than high climate impact sectors amounted to 45,670 million euro, down compared to the previous year due to interest rate trends. Overall, total net revenue recognised in the consolidated financial statements amounted to 45,776 million euro.

Greenhouse gas emissions metrics

As part of its strategy to combat climate change in its own operations and at portfolio level, the Group measures and reports the effectiveness of its climate change mitigation and adaptation policies using the metrics below, which contribute to the achievement of its greenhouse gas emission reduction targets.

The Intesa Sanpaolo Group's greenhouse gas emissions are reported in accordance with the GHG Protocol Corporate Standard (Greenhouse Gas Protocol) and relate to:

- Scope 1 emissions, which include direct emissions from sources owned or controlled by the undertaking including, inter alia, the emissions generated by heating buildings and the fuel used for its car fleet;
- Scope 2 emissions, which include indirect greenhouse gas emissions from purchased or acquired energy, such as electricity, steam, heat or cooling, consumed by the undertaking but generated by third parties;
- Scope 3 indirect emissions (classified in the categories from 1 to 15 which are deemed significant; for additional information on these categories, reference should be made to the next paragraph on "Gross GHG emissions – Scope 1, 2, 3 and total"), which include all the other indirect emissions in the value chain that are a consequence of the activities of the undertaking, but which do not fall under Scope 1 and Scope 2 emissions, such as, for example, those generated by investments ("financed emissions"), employee commuting, transport of valuables and management of waste generated.

Gross GHG emissions – Scope 1, 2, 3 and total

This section covers, in particular, the metrics applicable to greenhouse gas (GHG) emissions which apply to both own operations and the upstream and downstream value chain.

To this end, the table below shows GHG emissions in tonnes of CO_2 equivalent (tCO_{2eq}) as a total and by scope, i.e., Scope 1, Scope 2 (location-based[161] and market-based[162]) and Scope 3. Specifically, for Scope 3, it shows the significant categories for the Group with respect to the 15 categories envisaged by the GHG Protocol Corporate Standard. For information on the reference boundary at 31 December 2025, reference should be made to the "Basis for preparation and methodology" section of the ESRS 2 – General disclosures chapter.

[159] The information relating to net revenue provided in this paragraph is reflected in the notes to the consolidated financial statements, Part C – Information on the income statement.
[160] The Group has adopted the definition of "net revenue" as set out in the Directive on the annual accounts and consolidated accounts of banks and other financial institutions. Specifically, it considered the following income statement items: 262:10,40,70,80,90,100,110, 230 (positive components only), 250 (positive components only), 280 (positive components only).
[161] The location-based method quantifies GHG emissions associated based on the average emission factors of electricity generation for locations defined within local, subnational or national boundaries ("national mix" factors).
[162] The market-based method considers the contribution of specific emission factors linked to the contractual electricity purchasing arrangements adopted by the organisation for its electricity consumption ("residual mix" factors). When electricity is sourced from certified renewable sources, a zero emission factor is assigned for Scope 2, as these sources do not generate direct emissions.

Table – GHG emissions (in tCO2eq)[163]

	2025	2024
Scope 1 GHG emissions		
Gross Scope 1 greenhouse gas emissions	43,592	45,280
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	-	-
Scope 2 GHG emissions		
Gross location-based Scope 2 greenhouse gas emissions	97,049	115,789
Gross market-based Scope 2 greenhouse gas emissions	14,891	16,656
Scope 3 GHG emissions		
Gross Scope 3 greenhouse gas emissions	40.343.179	59,892,681
Percentage of GHG Scope 3 calculated using primary data	28%	26.4%
1. Purchased goods and services	9,868	7,179
2. Capital goods	7,257	6,432
3. Fuel and energy-related Activities	23,615	25,645
4. Upstream transportation and distribution	16,726	13,161
5. Waste generated in operations	602	254
6. Business traveling	6,330	5,959
7. Employee commuting	35,396	33,441
8. Upstream leased assets	1,022	2,419
9. Downstream transportation	-	-
10. Processing of sold products	-	-
11. Use of sold products	256	239
12. End-of-life treatment of sold products	-	-
13. Downstream leased assets	2,708	3,489
14. Franchises	-	-
15. Investments	40.239.399	59,794,462
Total GHG emissions		
Total GHG emissions (location- based)	40.483.820	60,053,750
Total GHG emissions (market- based)	40.401.662	59,954,617

(metric ton of CO2 eq (t CO_2eq))

	2025	2024
Gross Scope 1 greenhouse gas emission	43,592	45,280
Gross location-based Scope 2 greenhouse gas emission	97,049	115,789
Gross market-based Scope 2 greenhouse gas emission	14,891	16,656
Gross Scope 3 greenhouse gas emissions	40.343.179	59,892,681

(metric ton of CO2 eq (tCO_2eq))

	Italy		Foreign	
	2025	2024	2025	2024
Total GHG Emission (location-based)	24,190,434	35,128,121	16.293.386	24,925,629

In 2025, the Group's commitment to decarbonisation continued in line with the reduction target set for 2030. In line with the targets of the Own Emissions Plan, Scope 1 and 2 market-based greenhouse gas emissions decreased by 5.6%, thanks to a reduction in electricity and thermal energy consumption. This was mainly due to energy efficiency measures implemented in the Group's buildings, as well as an increase in the procurement of electricity from renewable sources and the electrification of the company car fleet. This is particularly evident from the reduction in Scope 2 location-based emissions, which have fallen by 12.7%.

[163] This table does not include the columns pertaining to the reference targets. In this respect, reference should be made to the "Greenhouse gas emission reduction targets" and the "Climate change mitigation and adaptation targets in own operations" sections.

Overall, the reduction in Scope 1 and 2 emissions is consistent with the SBTi-validated target of a 53% reduction by 2030 compared to the 2019 baseline. This confirms the effectiveness of the Group's initiatives, including increasing the proportion of renewable electricity purchased. With regard to Scope 3 emissions, several categories show a different trend in 2025 compared to the previous year. In particular, categories 1 (purchased goods and services) and 4 (upstream transportation and distribution) increased by 37.5% and 27.1%, respectively, mainly as a result of changes in the reporting boundary and/or the methodologies applied, as described in detail in the methodological section.
Conversely, categories 8 (upstream leased assets) and 13 (downstream leased assets) decreased considerably, down by 57.8% and 22.4%, respectively. This reduction is mainly attributable to the decrease in leased assets and the change in the adopted emissions calculation methodology, as described in detail in the methodological section.
In addition, the increase in category 5 (waste generated in operations), which was up by 137%, is mainly due to the update of the emission factors, against broadly constant input data.
Finally, there was a decrease in financed emissions compared to December 2024, due to several factors, including a substantial improvement in the estimation data available and the update of the reference year of the metric.

With respect to financed emissions, it is noted that exposures under Scope 3 category 15 (investments) include exposures to Non-Financial Corporations (NFC), exposures to Residential Real Estate (RRE) within the Italian boundary – for which the Group has set an emissions reduction target to 2030 described in the "Greenhouse gas emission reduction targets" section – and those of Všeobecná Ùverová Banka (VUB) in the same segment.
Exposures to NFC counterparties are estimated using both counterparty information and data on average emissions intensity by sector, consistently with the Pillar 3 disclosure.
With respect to the Residential Real Estate (RRE) sector, estimated emissions total approximately 2 million tCO_2, in line with the balance at 31 December 2024, including the share of VUB's RRE exposures[164].
Emissions relating to exposures to the real estate sector, in particular the Commercial Real Estate (CRE) segment, are not significant in amount and are largely included in the category of exposures to NFC.
In addition to the above, it is noted that category 15 - Scope 3 emissions refer to the Group's scope of prudential consolidation and includes financial assets in associates, subsidiaries and joint ventures which are not consolidated.

In preparing the disclosure for Scope 1, 2 and 3 (excluding category 15), the Intesa Sanpaolo Group calculated the emission factors on a country-by-country basis in order to obtain a picture as realistic as possible with respect to the actual emissions generated directly by the Group, in particular for Scope 1 and 2. Each emission factor, multiplied by the respective consumption, generates CO_2eq emissions.
Furthermore, the Group decided to disaggregate and report GHG emissions by country/geographical location (Italy/abroad), disaggregating total emissions and considering Scope 2 emissions calculated in accordance with the location-based method.

The reporting methodologies envisaged by the Italian Banking Association (ABI) Guidelines are usually applied[165].

With respect to electricity:
- in terms of "residual mix" (to be used when calculating market-based emissions), the Association of Issuing Bodies (AIB) is the source of emission factors. Where this is not available, the "national mix" is considered;
- in terms of "national mix" (to be used when calculating location based emissions):
  - for Italy, the Italian Institute for Environmental Protection and Research (ISPRA, Istituto Superiore per la Protezione e la Ricerca Ambientale) is the source of emission factors;
  - for the rest of the countries, excluding the US, the International Energy Agency (IEA) is the source of emission factors;
  - for the US, the Environmental Protection Agency (EPA) is the source of emission factors.

With respect to fossil fuel (in particular, natural gas, gas oil and LPG):
- for Italy, ISPRA is the source of emission factors;
- for the rest of the countries, excluding the US, the emission factors are calculated using the data collected by the UNFCCC – United Nations Framework Convention on Climate Change. Where these are not available, the average value of the countries considered is assigned;
- for the US, the EPA is the source of emission factors.

With respect to district heating:
- for Italy, where available, the emission factors reported by the various suppliers were considered, collecting the necessary evidence;
- for the US, the EPA is the source of emission factors;
- for the UK, the Government's Department for Energy Security and Net Zero (DESNZ) is the source of emission factors;
- for the rest of the countries, an average value between that of ISPRA, EPA and DESNZ was considered.

With respect to the car fleet, reference was made to ISPRA.

Finally, with respect to the Global Warning Potential (GWP) values, the Intergovernmental Panel on Climate Change (IPCC) (Assessment Report) was the reference source.

Scope 3 data collection and calculation methodologies for the significant categories from 1 to 14 included in Table 6 – GHG emissions (in tCO_2eq) are described below. Specifically, with respect to the Group's "Consolidated Sustainability Statement

[164] The emissions linked to the Parent Company's RRE exposures are derived from management accounts, while those of VUB are based on regulatory data.
[165] Reference should be made to the "Support document for sustainability reporting under the European Sustainability Reporting Standard (ESRS) in the environmental area - Focus on disclosure requirements E1-5, E1-6" ABI Lab, 2025.

2024", Scope 3 also includes the emissions arising from the use of toner and water, allocated to category 1 (purchased goods and services).

- Scope 3 - category 1 Purchases of goods and services include:
  - the paper used in office activities. The processes considered are those from production to delivery to the Group. Emissions from production are an average sector scenario, derived from the UK government's greenhouse gas reporting conversion factors. For all residual processes included in the system boundaries, GHG emission factors have been sourced from Ecoinvent 3.11, compared to Ecoinvent 3.5 used in 2024;
  - the use of cloud-based data centre services. Scope 1, 2, 3 annual emissions reported by suppliers, in relation to the services offered to the Group, are considered;
  - toner used in the Group's printing operations. Processes from production to delivery to the Bank are considered. Greenhouse gas emission factors were sourced from Ecoinvent 3.11;
  - water consumption in the Group's operations. The final treatment and purification stages are not considered in the emissions calculation, which is carried out by applying an emission factor derived from the UK Government's Department for Energy Security and Net Zero (DESNZ) dataset.
- Scope 3 – category 2. Capital goods include the most significant IT and electronic equipment purchased by the Group during the reporting year: PCs and laptops, monitors, printers, smartphones, tablets, ATMs, etc.. The system boundaries include cradle-to-gate operations, i.e. the entire product supply chain. In accordance with the GHG Scope 3 Emission Standard (WBCSD/WRI) protocol, emissions generated by the production of capital goods are entirely recognised when purchased, regardless of the lifetime of the product. Emission factors were sourced, where possible, from publicly available primary data, such as Life Cycle Assessment (LCA) reports, Environmental Product Declarations (EPDs), manufacturers' sustainability reports or, alternatively, for the remaining products, emission factors from the Ecoinvent 3.11 datasets (compared to Ecoinvent 3.5 used in 2024) with satisfactory representativeness were applied. Transport distances from production countries, mainly China and other East Asian countries, were considered. ATM machines were modelled based on the percentages of the materials they are composed of and the use of the corresponding Ecoinvent datasets. The IPCC 2021 equivalence factors have been applied, compared to the IPCC 2013 factors used in 2024.
- Scope 3 – category 3. The energy vector indicator of the Group's energy consumption includes emissions related to the fuel supply chain, construction and operation of infrastructure, distribution and transmission losses.
- In order to characterise impacts, where possible, regional data were used or average European/world-wide scenarios. With respect to electricity consumption, country-specific "residual mixes" were used, where available, or "national mixes". Accordingly, in 2025, emission factors provided by various sources were used, namely the International Energy Agency (IEA) for average mixes, the Association of Issuing Bodies (AIB) for residual mixes and the Ecoinvent 3.11 dataset, except for the national energy mix sourced from Ecoinvent 3.12 (Ecoinvent 3.5 was used in 2024). The IPCC 2021 equivalence factors have been applied, compared to the IPCC 2013 factors used in 2024.
- Scope 3 – category 4. With respect to upstream transport and distribution, the emissions generated by the transport of money to replenish ATMs by third-party companies on behalf of the Group were considered.
- Unlike in 2024, when van mileage had been statistically estimated, a representative sample of refuelling events involving different types of vehicles and related distances travelled was used in 2025 to better model the system. Emissions cover all stages of the life cycle: fuel supply chain, combustion emissions and vehicle manufacture. Ecoinvent 3.11 emission factors were used, compared to the Ecoinvent 3.5 version used in 2024.
- Scope 3 – category 5. Waste-related emissions include the end-of-life treatment of special waste generated for the Group's operations. The stages considered include the transport of waste to treatment facilities and the end-of-life treatment. Information on the effective end-of-life was sourced from the Waste Identification Forms completed in accordance with the applicable Italian legislation and from specific questionnaires provided for foreign companies. With respect to the remaining waste streams sent to landfill, incineration or other treatment processes, Ecoinvent 3.11 emission factors were used, compared to Ecoinvent 3.5 used in 2024. The IPCC 2021 equivalence factors have been applied, compared to the IPCC 2013 factors used in 2024.
- Scope 3 – category 6. Emissions related to business travel include journeys made by aircraft, trains and personal cars by employees. The methodology used to calculate emissions, in accordance with the ABI Guidelines, is based on data obtained by applying appropriate ratios derived from the ICAO's Carbon Emission Calculator, the EcoPassenger application and ISPRA's National Information System.
- Scope 3 – category 7. Emissions due to employees' commuting are calculated, for Italy, using the data obtained from specific questionnaires sent to employees that operate in cities covered by Commuting Plans and subsequently remeasured against the total number of Group employees in Italy. Using the primary data, specific emission factors are applied, as extracted from the DESNZ database. Public transport and shuttles, motorbikes, private cars and trains were considered.
- Scope 3 – category 8. The Intesa Sanpaolo Group has buildings leased by third parties which are used as guest houses. For this type of buildings, the Group adopted a more specific methodology during 2025, in line with the actual intended use of the property and using specific factors correlated to the residential sector. In particular, the methodology applied to calculate emissions in 2025 uses CO2eq/m2 emissions intensity factors specific to properties intended for residential use, sourced from the Pathway of the Carbon Risk Real Estate Monitor (CRREM[166], with reference to multi-family residential buildings. Unlike the methodology applied in 2025, in 2024 the Group used an approximation of unit emissions for these types of asset, aligning them with those of assets under operational control.
- Scope 3 – category 11. With respect to the banking/financial services/products used by customers, the main transactions were considered, broken down by channel used (internet banking/mobile banking), type (payment/transfer) for Group banks. The following information was considered for assessment purposes: average time and average electricity consumption for each operation broken down by type of device used. The operating time was estimated, while the average electricity consumption for mobile devices and PCs was based on sector studies. The emission factors for electricity consumption are those used for Scope 2 calculation purposes.

[166] The Carbon Risk Real Estate Monitor (CRREM) is a European research initiative (Horizon 2020) which acts as a global standard for assessing climate risk in real estate.

- Scope 3 – category 13. The Intesa Sanpaolo Group owns buildings that do not fall within the Group's core business (properties classified under IAS 40) over which it does not have operational control, as adequately reported. The methodology applied to category 8 has changed compared to 2024. Further details can be found in category 8. In 2025, emissions intensity factors are sourced from the Pathway of the Carbon Risk Real Estate Monitor (CRREM) foundation, with reference, in this case, to "office" buildings.

Prudently, all properties that in 2025 were not classified under IFRS 5, IAS 2 or IAS 40 and were not leased without consumption have been considered when reporting the related GHG emissions.

Overall, the percentage of GHG Scope 3 emissions calculated using primary data, sourced from suppliers or other partners along the value chain, was 28% for all significant categories reported.

Based also on "Table 6 – GHG emissions (in t CO_2eq)", it is noted that Scope 3 emissions related to the following categories were excluded:

- Scope 3 – category 9 "Downstream transportation", as the Intesa Sanpaolo Group does not produce goods that require transport and distribution;
- Scope 3 – category 10 "Processing of sold products", as there are no intermediate products that require further processing, transformation or inclusion in another product before use;
- Scope 3 – category 12 "End-of-life treatment of sold products", as the Intesa Sanpaolo Group does not produce goods that require end-of-life treatment;
- Scope 3 – category 14 "Franchises", as the Group does not grant third party companies licences to sell or distribute its services.

Furthermore, in line with the previous year, at 31 December 2025, the Group has biogenic emissions of CO_2 from the combustion or bio-degradation of biomass equal to 0 for Scope 1 areas. With respect to Scope 2 and 3, no national methodologies are in place for the timely identification of such indirect emissions.

In 2025, the percentage of contractual instruments used by the Group to purchase and sell energy with respect to GHG Scope 2 emissions is 83.3% (81.3% in 2024); that of bundled contractual instruments is 79.7% (76.5% in 2024), while the percentage of unbundled instruments is 3.6% (4.8% in 2024).

The Intesa Sanpaolo Group focuses, in particular, on reporting the electricity purchased from renewable sources. At present, the contractual instruments used to certify the use of this type of energy are as follows:

- Guarantee of Origin (GO) certificates;
- specific "green" supplies identified in supply contracts;
- Power Purchase Agreements (PPA);
- International Renewable Energy Certificates (i-REC).

At present, the bundled contractual instruments that certify the use of electricity from renewable sources are GO (Guarantee of Origin) certificates, specific "green" supplies identified within supply contracts and PPA, while the unbundled contractual instruments are only GO (Guarantee of Origin) certificates and i-REC.

Finally, there are no changes to report about the effects of any significant events and changes in the circumstances (affecting GHG emissions) that occurred between the reporting date of this document and the reporting dates of the entities included in the Group's value chain.

Financed emissions

As part of Scope 3 - category 15, in line with the methodology developed by the Partnership for Carbon Accounting Financials (PCAF), the following priority of emission data sources has been established:

- reported emissions: collected directly by the counterparty or by infoproviders (they account for approximately 29% of the financed emissions reported at 31 December 2025);
- physical activity-based emissions: estimation based on the production data of the counterparty multiplied by specific emission factors;
- economic activity-based emissions: sectoral proxy calculated based on sectoral emission intensity, and country/geographical area and counterparty size if the estimation sample is numerically sufficient.

With respect to emissions based on approximations referred to in the last point, at counterparty level, the emission figure is obtained by multiplying the counterparty's revenue by specific emission factors derived from a clustering model. Financed emissions are calculated by considering the exposure (loans and advances, debt securities, and equity investments) to the counterparties in relation to the total liabilities (financial liabilities and equity) of the counterparties. Specifically, the reference period for emissions figures is updated to 2023. Consequently, the delay between the Group's exposure data and emissions data is two years.

Finally, there are no significant changes to report about the effects of any significant events and changes in the circumstances (affecting GHG emissions) that occurred between the reporting date of this document and the reporting dates of the entities included in the Group's value chain.

GHG emission intensity[167]

This section covers the intensity of GHG emissions, i.e. total GHG emissions in metric tonnes of CO_2eq compared to net revenue.

The Group calculates this intensity using the following formula: total GHG tCO_2eq emissions/net revenue (euro).

In particular, the net revenue used for calculation purposes amounts to 39,067 million (44,798 million in 2024) in relation to total revenue as per the financial statements which, in 2025, amounts to 45,776 million (51,958 million in 2024), down mainly due to the fall in interest rates which affected overall revenue trends.

The table below provides useful information for understanding the above denominator and, in particular, the reconciliation of the net revenue used to calculate GHG emission intensity with net revenue as per the financial statements. Figures are expressed in million euro.

(millions of euro)

	2025	2024
Net revenue used to calculate GHG intensity	39,067	44,798
Net revenue other than used to calculate GHG intensity	6,709	7,160
Net revenue	45,776	51,958

On the other hand, the numerator of GHG emission intensity is equal to the total emissions, indicated above.
Based on the above, the intensity of GHG emissions is as follows:

- 0.001034 tCO_2eq/euro under the market–based method (0.001338 tCO_2eq/euro in 2024);
- 0.001036 tCO_2eq/euro under the location–based method (0.001341 tCO_2eq/euro in 2024);

The Group has adopted the definition of “net revenue” as set out in the Directive on the annual accounts and consolidated accounts of banks and other financial institutions. Specifically, it considered the following income statement items: 262: 10, 40, 70, 80, 90, 100, 110, 230 (positive components only), 250 (positive components only), 280 (positive components only). In line with the prudential scope, to which the Scope 3 - category 15 emissions represented by the numerator refer, it is noted that the denominator does not include items 160 and 170 which pertain to the “revenue” of the insurance segment. Furthermore, even considering only the revenue items consistent with category 15, which is the most significant addend in the numerator of GHG emission intensity, the emissions intensity value would not be material.

Internal carbon pricing

Internal Carbon Pricing (ICP) is a scheme through which undertakings assign a monetary value to GHG emissions and integrate it (the “price”) into investment decisions and business operations. Specifically, an Internal Carbon Pricing scheme uses market mechanisms and transfers the cost of GHG emissions to the issuer by assigning a price on carbon dioxide emissions.
The adoption of an internal carbon pricing scheme by the Group is a strategic decision aimed at managing climate-related business risks and promoting a transition to a zero-emission business model.
The scheme used by the Group to set its internal carbon price (the “ICP scheme”), is the shadow price and refers to Green Banking Procurement, in particular purchases of IT equipment. Indeed, the ICP is applied to all procurement activities that go through information and communication technologies (ICT) purchases, which are carried out centrally, in line with the Group's procurement policy. In residual cases (e.g. specific geographical areas) for specific purchases that do not go through centralised procurement, the ICP does not apply.
In this respect, the GHG emissions generated by the electricity consumed through IT equipment are subject to internal carbon pricing, based on product certifications (e.g. Energy Star) and/or supplier declarations. The resulting cost is added to the purchase and usage cost (energy), contributing to the lifecycle cost of the machines. This assessment supports Intesa Sanpaolo Group in selecting the most convenient supply from a lifecycle perspective. The main categories of tools subject to ICP with respect to the Group-wide scope, include laptops 78%, mini-desktops 15%, cash in-cash out 99%, ATMs/MTAs 41%, monitors 86%, printers 15% and scanners 89%[168].

Pricing is applicable for the environmental impact analysis via a technical assessment of the equipment and an assessment phase of energy consumption and environmental characteristics. In 2019, the internal carbon price was set at €57/tCO_2eq, as indicated by the Life Cycle Impact Assessment Environmental Prices method (LCIA Environmental Prices) in its 2018 EU28 version, which calculates the carbon footprint over the entire life cycle of the product in line with market practice. In 2023, the Group ICP was set at €100/tCO_2eq, up considerably on the €62/tonCO_2eq indicated by the NGFS, in line with the call to increase domestic prices in view of the 1.5°C target and within the range of €50-160/tonCO_2eq as proposed by the LCIA Environmental Prices. Pricing is applicable for the environmental impact analysis via a technical assessment of the equipment and an assessment phase of energy consumption and environmental characteristics.
Furthermore, the ICP is calculated based on a third-party study.
ICP emissions include Scope 2 location-based emissions related to electricity consumption (emissions linked to the use of IT devices in scope), equal to 3,000 tCO2eq in 2025 (3,487 tCO_2eq in 2024), while the share percentage of GHG Scope 2 emissions covered by the ICP scheme in relation to total GHG Scope 2 location-based emissions is equal to 3.09% (3.02% in 2024).

[167] The information relating to net revenue reported in this paragraph is reflected in the notes to the consolidated financial statements, Part C – Information on the Consolidated income statement.
[168] These percentages within the Italian boundary alone are as follows: laptops 87%, mini-desktops 100%, cash in-cash out 100%, ATMs/MTAs 100%, monitors 100%, printers 17% and scanners 100%.

Table – Application of shadow price

	Volume at stake (tCO_2eq)	Prices applied (€/tCO_2eq)	GHG Scope 1 [%]	GHG Scope 2 [%]	GHG Scope 3 [%]	Perimeter description
CapEx shadow price	3,000	100		3.09%		
Research and Development (R&D) investment shadow price						
Internal carbon fee or fund						
Carbon prices for impairment testing						

Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

This section covers the anticipated financial effects from material physical risks. Specifically, the Group decided to disclose only the information already available as part of Pillar 3 reporting.

The following table, which complies with Pillar 3 disclosure, provides information on exposures in the banking book, including loans and advances, debt securities and equity instruments not held for trading and not held for sale, towards non-financial companies, on loans collateralised by immovable property and on repossessed real estate collateral, exposed to chronic and acute climate-related risks, with a breakdown by sector of economic activity (NACE classification) and by geography of location of the activity of the counterparty or of the collateral, for those sectors and geographical areas subject to climate change acute and chronic events.

Sensitive exposures are shown separately:

- for the impact from chronic events only, including risks relating to gradual changes in weather and climate and having a possible impact on economic output and productivity;
- for the impact from acute events only, including risks that may cause sudden damage to properties, disruption of supply chains, and depreciation of assets;
- for both the impacts described above.

(millions of euro)

Italy	Gross carrying amount					
	of which exposures sensitive to impact from climate change physical events					
	Breakdown by maturity bucket					
		<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average weighted maturity
A - Agriculture, forestry and fishing	2,820	265	181	218	64	8.86
B - Mining and quarrying	160	3	16	1	-	6.43
C - Manufacturing	37,081	2,543	593	156	2	3.02
D - Electricity, gas, steam and air conditioning supply	6,282	109	167	24	-	6.04
E - Water supply; sewerage, waste management and	1,895	103	98	28	-	5.91
F - Construction	9,224	797	242	99	6	4.15
G - Wholesale and retail trade; repair of motor vehicles and	19,418	655	178	83	5	3.74
H - Transportation and storage	10,835	313	114	18	5	4.26
L - Real estate activities	9,021	160	143	82	-	6.15
Loans collateralised by residential immovable property	122,869	100	235	3,730	9,689	22.58
Loans collateralised by commercial immovable property	19,837	82	102	221	59	11.39
Repossessed collaterals	241	-	-	-	-	-
Other relevant sectors	19,154	805	400	357	7	6.27
J - Information and communication	3,833	130	15	5	3	4.24

(millions of euro)

Italy	Gross carrying amount							
	of which exposures sensitive to impact from climate change physical events							
	of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	of which Stage 2 exposures	of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
							of which Stage 2 exposures	of which non-performing exposures
A - Agriculture, forestry and fishing	229	442	57	264	30	-32	-17	-14
B - Mining and quarrying	2	18	-	1	1	-1	-	-1
C - Manufacturing	2,385	887	22	656	209	-132	-28	-100
D - Electricity, gas, steam and air conditioning supply	55	238	7	47	11	-10	-1	-9
E - Water supply; sewerage, waste management and	95	112	22	107	4	-5	-3	-2
F - Construction	838	277	29	277	78	-66	-23	-38
G - Wholesale and retail trade; repair of motor vehicles and	447	467	7	213	120	-76	-10	-63
H - Transportation and storage	346	99	5	58	19	-15	-3	-11
L - Real estate activities	222	156	7	116	15	-17	-11	-5
Loans collateralised by residential immovable property	-	13,754	-	364	58	-33	-18	-11
Loans collateralised by commercial immovable property	-	464	-	89	22	-17	-8	-8
Repossessed collaterals	-	20	-	-	-	-7	-	-
Other relevant sectors	1,042	498	29	337	103	-77	-13	-60
J - Information and communication	64	89	-	37	8	-5	-1	-4

(millions of euro)

Europe - CORE	Gross carrying amount					
		of which exposures sensitive to impact from climate change physical events				
		Breakdown by maturity bucket				
		<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average weighted maturity
A - Agriculture, forestry and fishing	655	119	14	1	-	1.97
B - Mining and quarrying	167	1	-	-	-	1.47
C - Manufacturing	3,432	221	34	3	1	2.37
D - Electricity, gas, steam and air conditioning supply	1,794	267	46	36	-	4.68
E - Water supply; sewerage, waste management and remediation activities	192	24	9	4	-	3.92
F - Construction	1,475	227	40	394	-	9.50
G - Wholesale and retail trade; repair of motor vehicles and	3,469	147	28	-	1	2.46
H - Transportation and storage	1,072	170	20	4	-	2.76
L - Real estate activities	850	12	28	1	-	5.43
Loans collateralised by residential immovable property	17,323	5	16	161	933	23.47
Loans collateralised by commercial immovable property	5,153	121	72	32	50	8.80
Repossessed collaterals	17	-	-	-	-	-
Other relevant sectors	2,638	219	50	14	-	2.51
J - Information and communication	318	17	2	-	-	1.67

(millions of euro)

Europe - CORE	Gross carrying amount							
	of which exposures sensitive to impact from climate change physical events							
	of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	of which Stage 2 exposures	of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
							of which Stage 2 exposures	of which non-performing exposures
A - Agriculture, forestry and fishing	114	19	1	21	6	-7	-2	-5
B - Mining and quarrying	-	1	-	-	-	-	-	-
C - Manufacturing	5	252	2	41	8	-11	-6	-4
D - Electricity, gas, steam and air conditioning supply	258	89	2	4	-	-1	-	-
E - Water supply; sewerage, waste management and	25	11	1	3	1	-2	-	-1
F - Construction	213	438	10	24	6	-8	-1	-5
G - Wholesale and retail trade; repair of motor vehicles and	2	174	-	18	5	-6	-1	-4
H - Transportation and storage	156	27	11	20	6	-7	-1	-4
L - Real estate activities	-	41	-	25	1	-1	-1	-
Loans collateralised by residential immovable property	-	1,115	-	62	13	-10	-4	-4
Loans collateralised by commercial immovable property	-	275	-	56	10	-13	-6	-7
Repossessed collaterals	-	-	-	-	-	-	-	-
Other relevant sectors	46	233	4	11	9	-8	-1	-5
J - Information and communication	-	19	-	1	-	-	-	-

The assets exposed to significant physical risk are located in Italy and in the areas where the Group's main European investees operate (i.e. Croatia, Romania, Slovakia, Slovenia, Serbia, Hungary, Bosnia and Albania).
For the identification of exposures subject to climate change physical risk, the Intesa Sanpaolo Group has used an external provider that has provided mapping and measurement of the risks at individual property level (understood as a collateral asset or registered office/production site where available, for exposures to Non Financial Corporations).
The Group has prudently chosen to use the "Current Policies" scenario provided by the NGFS (equivalent to a Representative Concentration Pathways (RCP) 6.0 scenario[169]) as the baseline scenario, as it assumes that current policies are not subject to any changes by regulators, resulting in very high physical risks.

The physical risk events considered differ according to the business sectors of the companies and the loans collateralised by immovable property based on the specific characteristics of each type of exposure.

The following table shows the exposures collateralised by commercial and residential immovable property and repossessed real estate collateral, including information on the energy efficiency level of the collateral measured in terms of kWh/m^2 energy consumption and label of the energy performance certificate (EPC).

The presentation is broken down according to the geographical area in which the collateralised property is located (EU and non-EU area). Where the energy efficiency level in terms of kWh/m² is an estimated figure, this is stated in the row concerned. The estimation is only calculated for the types of immovable property provided as collateral subject to mandatory energy performance certificate (e.g. residential properties, buildings used for production).

[169] Climate change pathways based on different concentrations of greenhouse gases. The RCP 6.0 scenario is the pathway leading to global temperatures of around +3°C by 2080.

(millions of euro)

Counterparty sector	Totale Gross carrying amount						
		Level of energy efficiency (EP* score in kWh/m² of collateral)					
		0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500
Total EU area	163,042	39,946	46,749	32,240	18,538	4,271	5,066
Of which Loans collateralized by commercial immovable property	24,099	2,240	4,615	2,364	6,671	499	1,698
Of which Loans collateralized by residential immovable property	138,699	37,702	42,057	29,846	11,779	3,771	3,360
Of which Collateral obtained by taking possession: residential and commercial immovable properties	244	4	77	30	88	1	8
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	*69,710*	*11,234*	*20,160*	*18,728*	*13,582*	*2,515*	*3,491*
Total non-EU area	3,213	10	127	1,527	-	-	3
Of which Loans collateralized by commercial immovable property	1,488	6	101	366	-	-	2
Of which Loans collateralized by residential immovable property	1,703	4	26	1,160	-	-	1
Of which Collateral obtained by taking possession: residential and commercial immovable properties	22	-	-	1	-	-	-
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	*1,661*	*4*	*127*	*1,527*	-	-	*3*

(*) EP: Energy Performance

(millions of euro)

Counterparty sector	Totale Gross carrying amount								
	Level of energy efficiency (EPC** label of collateral)							Without EPC** label of collateral	
	A	B	C	D	E	F	G		Of which level of energy efficiency (EP* score in kWh/m² of collateral) estimated
Total EU area	18,636	5,751	5,247	8,049	10,693	13,539	15,182	85,945	81.11%
Of which Loans collateralized by commercial immovable property	1,285	528	447	476	317	252	365	20,429	70.57%
Of which Loans collateralized by residential immovable property	17,351	5,221	4,791	7,569	10,375	13,287	14,814	65,291	84.40%
Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	2	9	4	1	-	3	225	83.64%
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated								*69,710*	*100.00%*
Total non-EU area	6	-	-	-	-	-	-	3,207	51.82%
Of which Loans collateralised by commercial immovable property	6	-	-	-	-	-	-	1,482	31.69%
Of which Loans collateralised by residential immovable property	-	-	-	-	-	-	-	1,703	69.92%
Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	22	6.11%
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated								*1,661*	*100.00%*

(*) EP: Energy Performance

(**) EPC: Energy performance certificate

ESRS E4 – Biodiversity and ecosystems

Resilience Analysis

In 2025, the governance area of the Chief Risk Officer (CRO) carried out a risk assessment of the natural capital. The "resilience analysis" was used to assess the impacts on biodiversity and the dependencies on ecosystem services of the Group's corporate customer portfolio.

These analyses were carried out considering exposures within each sector in the loan portfolios of the IMI Corporate & Investment Banking (IMI CIB) and Banca dei Territori divisions.

In this area, characterized by the absence of a specific standard for climate macro-scenarios, which is currently being developed by the Network for Greening the Financial System (NGFS), the analysis focused on actual impacts and dependencies, drawing from updated sector-specific estimates and maps on the state of ecosystems available at the end of 2024.

Expanding its sights, the 2025 materiality assessment relating to the resilience analysis introduced medium-to-long-term considerations (up to 2050), using scenario-based maps based on the Mean Species Abundance (MSA) and forward-looking Water Stress metrics. This enabled forward-looking assessments to be incorporated into the analysis, enriching the understanding of local area risks for corporate customers.

Finally, the analysis was based exclusively on information in the public domain, such as sector-specific estimates and area maps, without the direct engagement of the counterparties or local experts.

For each dimension considered, various risk levels were set and the Group's exposure measured at each level, in terms of gross carrying value. The resilience assessment looked at (i) the single dimension (impact and dependency) of risk (both transaction and physical risk) and (ii) the aggregate level.

In particular, the analysis covered impact indicators (which can be categorised as "pressure" factors on biodiversity) affecting the transaction risk of corporate customers, and indicators of natural capital dependency (which can be categorised as risk factors tied to the degradation of ecosystem services) affecting the physical risk of corporate customers.

The Group adopted an approach based on best practices and in line with the guidelines provided by the Taskforce on Nature-related Financial Disclosures (TNFD), as well as the "Locate, Evaluate, Assess and Prepare" (LEAP) process recommended by the TNFD. In particular, the loan portfolio's exposure to vulnerability in relation to environmental risks was assessed. The different phases of the LEAP process are described below:

- The "Locate" step involved locating head offices and local production facilities to lay the groundwork for analysing interactions between industries and surrounding nature (direct operations). Access to external information sources for mapping ecosystems was instead the starting point for identifying ecosystem services and biodiversity pressures.
- The "Evaluate" step involved the specific impact/dependency scoring of each sector using sector-level materiality (top-down approach). Impacts and dependencies (for direct operations) were assessed using a bottom-up approach, taking into account the relevance of the state of specific natural resources for the assessment area and the materiality of the sector-specific dependency or impact. The relevance and materiality of the direct operations of counterparties were then adjusted using input-output matrices for the analysis of risk in the upstream value chain. For each company (at the local unit level), the different sector-specific and local area scores were estimated and normalised, so as to enable comparison between sectors and geographical areas.
- In the "Assess" step, the environmental risk exposure of the loan portfolio was quantified by combining the sector-specific and local area vulnerability scores and taking into account the associated exposure of each counterparty.
- In the "Prepare" step, the outcome of the analyses were used as part of internal reporting to monitor "at-risk" exposures.

This process enabled a top-down, sector-based view of materiality and a bottom-up view of local area materiality to be integrated into the exercise. The resulting assessment outcomes are shown in terms of expected qualitative impacts at aggregate level, considering the median of the single impact and dependency indicators in the perimeter, classified as: very low, low, medium, high and very high.

Overall, the analysis found that a limited portion of the loan portfolio was exposed to medium-to-high sector-specific and local area risks, by quantifying the environmental risk exposure of the portfolio and combining the sector-specific and local area vulnerability scores.

Finally, a series of follow-up actions were identified to adapt the strategy to the outcomes of the resilience analysis in relation to changes in biodiversity.

These actions aim to mitigate risks, capitalize on opportunities and pave the way for the long-term sustainability of the Group in the face of environmental challenges. The actions include, for example, the development of the risk assessment framework to incorporate forward-looking metrics; the definition of rules on biodiversity (for further information on this topic, reference should be made to the paragraph "Policies related to biodiversity and ecosystems"); the constant, pro-active monitoring of the relevant statutory framework; participation in climate change working groups and initiatives; and risk assessments linked to ESG matters in the lending process (including creditworthiness assessments and ESG sector mapping).

Policies, targets and actions at portfolio level

Policies related to biodiversity and ecosystems

Intesa Sanpaolo Group acknowledges the risks arising from biodiversity loss and pollution, the benefits that can come from preserving and restoring nature, and the key role that financial institutions can play in this regard. Accordingly, the "Group Code of Ethics"[170] takes biodiversity and nature conservation into consideration in terms of the direct and indirect environmental impacts that Group operations can generate.

Within this framework, in 2024, the Group prepared new "Rules on Biodiversity and Nature" (the "Rules"), which were adopted in January 2025. The Rules outline the approach adopted by the Intesa Sanpaolo Group to biodiversity and nature-related issues with respect to the portfolio in relation to loans and wealth management & protection as well as direct impacts.

Through these Rules the Group governs its own operations in relation to risks affecting biodiversity and ecosystems by setting out specific limitation and exclusion criteria, fine-tuning risk assessment procedures and encouraging sustainable loans aimed at promoting the conservation or improvement of biodiversity or ecosystem services, also with the welfare of local communities in mind.

Applicable to all the Group, the Rules set out exclusion, heightened assessment and risk monitoring criteria for lending to new projects and counterparties. The exclusion criteria identify the new projects and counterparties that the Group declines to finance, based on their location, their economic sector (including intensive farming and sectors that have an impact in terms of deforestation and the indiscriminate use of marine resources), and the classification of certain types of projects as "controversial" due to their impacts or dependencies on aspects of biodiversity and nature. In particular, lending to new projects and counterparties is considered at risk where they are located in countries that have not ratified the main conventions on biodiversity and nature or in protected geographical areas under the main international conventions.

The Rules are part of the general framework of Group ESG risk management, risk appetite and relevant strategic guidelines. An overview of the Rules is available to the public for all stakeholders on the Group's website. Responsibility for the updating of the rules is tasked to the governance areas of the CSO and CRO to ensure their alignment with changing regulations, standards and national and international best practices on the matter.

In line with the Group's strategic guidelines and ESG risk governance framework, the Group focuses on its own operations, in particular, on new projects in sectors and/or geographical areas of high exposure to ESG risks, especially in terms of biodiversity and nature. These are subject to specific controls for risk assessment purposes through an "ESG & Reputational Risk Clearing" process. Accordingly, the "Rules on Biodiversity and Nature" refer to a series of international biodiversity conservation and environmental protection conventions, including the Convention on Biological Diversity (CBD), the Cartagena Protocol and the Rotterdam Convention, which together provide a regulatory framework for promoting sustainable practices, guaranteeing biosafety and restricting the use of hazardous chemicals. The conventions additionally support the traceability of products, components and raw materials throughout the value chain, improving the sustainability of production chains in the countries that have implemented the conventions.
The implementation of the Equator Principles is also relevant here, providing a framework that contemplates the protection of biodiversity and the sustainable management of natural resources. For more details, reference should be made to the section "ESG Risk Governance Process" in chapter ESRS E1 – Climate change.

For further details on the impacts, risks and opportunities (IROs) covered by the policies relating to biodiversity and ecosystems, reference should be made to the IRO table set out in the paragraph "Materiality assessment" in chapter ESRS 2 – General disclosures.

In addition, the Group sets criteria to support undertakings working in practice towards, or wishing to pursue, ecological transition, also as regards biodiversity topics. In this regard, the Group promotes and always permits loans that are European Union Taxonomy-aligned and/or sustainable from an "environmental" point of view, in accordance with internal products classification rules and sustainable lending transactions, in particular those relating to biodiversity and ecosystem conservation and restoration objectives.

With specific reference to asset management, Fideuram Intesa Sanpaolo Private Banking, Fideuram Asset Management (Ireland) and Eurizon Capital SGR all take into consideration the principal adverse impacts (PAI) of their investment decisions on sustainability factors and regularly disclose the outcomes in the relative reports.

Eurizon had adopted its own "Commitment Policy" in which the company has outlined an internal screening framework based on the principles set out in the Kunming-Montreal "Global Biodiversity Framework" (GBF). Named Eurizon NatureWatch, it is designed to identify issuers that can give rise to negative impacts on biodiversity.

Fideuram Intesa Sanpaolo Private Banking and Fideuram Asset Management (Ireland) have similarly published commitment and sustainability policies. Specifically, the commitment policies identify the mitigation of biodiversity loss as one of the four "macro-themes" cutting across all industry sectors, namely: i) reduction of GHG emissions; ii) mitigation of biodiversity loss; iii) respect for human rights and combating the manufacture of non-conventional weapons; and iv) good corporate governance practices.
For further information on the above-mentioned commitment policies, reference should made to the section "Sustainability-conscious investment products" in the ESRS S4 – Consumers and end-users chapter.

[170] For further information on the Code of Ethics, reference should be made the section on "Policies, targets and actions related to business conduct" in chapter ESRS G1 – Business Conduct.

Targets related to biodiversity and ecosystems

In relation to environmental risks, including biodiversity loss and ecosystem degradation, the aim of the Group is to incorporate controls into the risk management framework and related decision-making processes. Nevertheless, it should be stressed that the materiality assessment performed, for the standard in question, on the loan portfolio is based on current models and metrics that are still under development, in terms of their methods and standardisation, and factored in a medium/long-term time horizon. The development of international methodological reference standards and the availability of more detailed, reliable data will enable materiality assessments to be refined and specific additional controls to be introduced. As mentioned in the section "Policies related to biodiversity and ecosystems", the Group has adopted Rules on Biodiversity and Nature to govern these matters. Finally, as reported below, the Group has initiatives and actions in place in support of biodiversity and the protection of ecosystems, although no specific quantitative targets have been set.

Actions related to biodiversity and ecosystems

In a context where public, verifiable quantitative data for measuring environmental risk is still under development, the Group has nevertheless launched various initiatives to support businesses in their transition to a green economy, in line with the commitments set out in the Rules. These initiatives include the granting of medium-to-long-term financing, such as the "S-Loan Green Projects" loan, and loans backed by specific guarantees, such as the "SACE Growth" guarantee, which can be used to finance projects and initiatives concerning biodiversity and ecosystems.

Furthermore, as part of bond issues, Intesa Sanpaolo has developed a "Green, Social and Sustainability Bond Framework" which governs bond issuance to finance eligible loans under the environmental categories of the framework, including projects for the management of living natural resources, land and biodiversity.

The ESG score used by Intesa Sanpaolo Group to assess the ESG profiles of corporate customers also considers components concerning biodiversity and natural resources. The scoring model takes into account information sourced from external providers on environmental certifications (for example, ISO 14001, EMAS, FSC-Forest Stewardship Council) and, for counterparties assessed by the main international info-providers, information on initiatives pursued for the restoration, rehabilitation and clean-up of local areas, and an assessment of the impacts of the undertaking's own operations on biodiversity and water resources. The resulting ESG score is incorporated into group processes to give an ESG perspective in the application of the credit framework and credit strategies, showing how the biodiversity considerations making up the score are included in frameworks and strategies relevant to the Group.

Following its participation in the Nature Action 100 initiative in 2023, which is aimed at tackling biodiversity loss and deforestation, Eurizon Capital SGR strengthened its stewardship activities by defining the proprietary Eurizon NatureWatch methodology in 2024. This methodology aims to identify issuers that could have a negative impact on biodiversity by assessing their exposure to issues connected with the exploitation of ecosystems and the potential loss of related value, in order to prioritise engagement actions towards those with the greatest exposure to biodiversity loss. The Eurizon NatureWatch framework is inspired by the Taskforce on Nature-related Financial Disclosures (TNFD) guidelines and the Kunming-Montreal Global Biodiversity Framework (GBF) principles. It uses data from MSCI ESG Research, the Carbon Disclosure Project (CDP) and public platforms that specialise in screening undertakings on the topic of deforestation. The phases of the analysis include: (i) identifying companies that have a potential negative impact on biodiversity based on the sectors/local areas in which they operate; (ii) measuring their dependencies and impacts on biodiversity; (iii) engaging with these companies to encourage them to adopt corrective measures and implement initiatives to mitigate their impact. In particular, Eurizon continued its commitment to engagement in 2025, focusing on assessing the risks and impacts of the business activities of the identified companies (including their supply chains) on biodiversity. This included the responsible management of water resources, waste and circular economy practices.
In addition, Eurizon participated in collective engagement activities under the Nature Action 100 initiative, exploring, inter alia, the commodity sector in Latin America, focusing, in particular, on objectives and strategies for mitigating deforestation and biodiversity loss. As part of this engagement activity, the identified undertakings were encouraged to align with the TNFD recommendations and adopt the Species Threat Abatement and Restoration (STAR) methodology of the International Union for the Conservation of Nature (IUCN). This methodology enables the identification of areas in which species threatened by biodiversity loss are present, allowing targeted mitigation strategies to be developed with the engagement of local communities and public authorities.
Finally, Eurizon exercised its voting rights at shareholder meetings of the companies in which it invests, supporting proposals aimed at promoting greater transparency on biodiversity conservation and the circular economy.

The Intesa Sanpaolo Assicurazioni Group is committed to progressively and systematically integrating nature and biodiversity issues into its business model. As a responsible investor, it monitors specific biodiversity-related indicators, adopting negative screening approaches for issuers most exposed to these risks and disputes.

The Intesa Sanpaolo Group also promotes sustainable development by fostering partnerships, launching training initiatives and conducting applied research projects in areas such as artificial intelligence, robotics, neurosciences, climate change and biodiversity. This includes, for example, the continuation in 2025 of an applied research project carried out through the Intesa Sanpaolo Innovation Center. This project aims to study environmental attitudes and related behaviour using a neuroscientific approach. A statistically significant sample of individuals was analysed to assess the impact of environmental attitudes (e.g. in the areas of transport and food choices) and related behaviour, and to identify the most suitable methods for encouraging greater attention to climate change and biodiversity. The results of the first survey mean that we can now move on to the experimental phase of the research. The aim of this phase is to identify effective ways to raise awareness and generate a positive behavioural change in relation to these issues. The Urban Regeneration, Nature-Based Solutions for Climate and Social Resilience report was produced as part of our numerous activities in partnership with universities, in particular the collaboration between Intesa Sanpaolo Innovation Center and Politecnico di Torino on the Master's programme in Climate Change – Mitigation and Adaptation. This report demonstrates how nature and innovation are the key drivers for cities in the future.

ESRS E5 – Resource use and circular economy

Policies, targets and actions at portfolio level

Policies on resource use and circular economy

In line with the Intesa Sanpaolo Group's strategic approach, the circular economy policies adopted set out the principles, rules and processes for pursuing the Group's objectives in the transition towards a circular economy model, focused on resource efficiency, waste reduction and especially the creation of value throughout the entire product life cycle. The primary objective is to guide the transition of undertakings and communities towards an inclusive circular economy and an economic approach capable of accelerating climate change mitigation policies, protecting and restoring biodiversity and reducing pollution. This can be achieved not only by reducing greenhouse gas emissions, but also by optimising the availability and use of commodities, the regeneration of natural resources and technological innovation, contributing to the creation of a more sustainable, equitable and resilient economic system. This commitment is consistent with global trends towards sustainability and environmental regulations and helps reduce the risks associated with volatile resource prices. For further details on the impacts, risks and opportunities covered by the policies on resource use and the circular economy, reference should be made to the IRO table set out in the paragraph “Materiality assessment” in the ESRS 2 – General disclosures chapter.

The Intesa Sanpaolo Group's "Code of Ethics” promotes, inter alia, the adoption of circular economy models aimed at environmental protection, support for the country's development through green transition and the responsible management of indirect environmental impacts.

Moreover, the Group ensures transparency with respect to stakeholders by making available the main circular economy policies through the company's communication channels:

- the internal classification of sustainable lending products and transactions, which identifies a specific category in the area of environmental sustainability called “Ecological efficiency and circular economy”. This category is assigned based on how closely the lending transaction aligns with the five Circular Economy criteria, which are described later on and were defined in collaboration with the Ellen MacArthur Foundation (EMF), a non-profit organisation and the world's leading think tank on the circular economy. In 2025, a review of the framework criteria was launched in collaboration with EMF to align them with the Harmonised Circular Economy Finance Guidelines developed by the International Finance Corporation (IFC, World Bank Group). This framework is currently not fully aligned with the criteria of the European Taxonomy relating to the Transition to a Circular Economy environmental objective;
- the “Green, Social and Sustainability Bond Framework”[171], published on the Group’s institutional website, which defines the rules and criteria adopted for the issuance of bonds intended to finance activities with environmental and social benefits, including initiatives supporting the circular economy. The proceeds of bonds issued as part of this framework are allocated exclusively to loans falling under a limited set of green categories, including the macro-category dedicated to the circular economy, in which five sub-categories (corresponding to the five circular criteria described later on) are defined. The framework is aligned with the “Green Bond Principles 2021”, the “Social Bond Principles 2021” and the “Sustainability Bond Guidelines 2021” of the International Capital Market Association (ICMA), as well as with the European Taxonomy, where possible and where deemed necessary and in line with the current regulatory provisions[172];
- internal rules, with respect to the European Taxonomy, and the macro-process adopted by the Group for the identification and reporting of exposures aligned with these rules, including those related to the fourth of the six environmental objectives, i.e. “Transition to a Circular Economy”;
- the Intesa Sanpaolo Group's internal ESG Scoring rules, which represent a company-wide assessment of the ESG profile of corporate customers, which include certain aspects related to the circular economy;
- the “Green Procurement Rules”, available on the Group’s website, which, inter alia, set out the Group’s approach aimed at promoting circular procurement models for stationery, toner, gadgets and free gifts, in line with the Group’s overall focus on adopting sustainable practices.

The scope of circular economy policies encompasses all Group activities, with a focus on the financial support for projects and undertakings that promote circular business models and on internal resource management (e.g. procurement practices). As part of the Governance Area of the Chief Sustainability Officer, who is responsible for controlling and implementing sustainability policies[173], a specific competence centre was identified to control circular economy policies, namely Intesa Sanpaolo Innovation Center (ISPIC[174]). In this context, the Intesa Sanpaolo Innovation Center is responsible for making a technical assessment of the level of circularity and eligibility for funding of initiatives proposed by corporate customers.

As part of the lending process, the Group incorporates circular economy principles into its policies, referring both to specific green economy criteria defined in the “Green, Social and Sustainability Bond Framework”, and to the criteria of the circular framework developed together with the Ellen MacArthur Foundation.

[171] The framework comprises a set of internal rules through which the Group issues various types of debt securities (green, social and sustainability bonds) in different currencies and formats – secured, unsecured or subordinated – to finance new or existing loans and activities that have a positive environmental and/or social impact.

[172] Alignment with the Taxonomy takes place on a best effort basis.

[173] For further details on the role of the CSO, reference should be made to the paragraph “Role and composition of the administration, management and control bodies and of sustainability governance” in the ESRS 2 – General disclosures chapter.

[174] ISPIC is the Group company that explores future scenarios and trends, develops multidisciplinary applied research projects, supports start-ups, accelerates the business transformation of undertakings according to the criteria of open innovation and the circular economy, promotes the development of innovative ecosystems and spreads the culture of innovation, to make the Intesa Sanpaolo Group the driving force of a more aware, inclusive and sustainable economy.

Specifically, the eligibility criteria for the internal circular framework cover:
- solutions that extend the product life or cycles of use of goods and materials (circular design; application of modular design; implementation of reverse logistics programmes; repair and regeneration or reconditioning of products; use of product-as-service models, pay-per-use and/or sharing economy);
- procurement of secondary or sustainably sourced renewable resources and/or recycled material (including the use of renewable energy for self-consumption);
- solutions that significantly increase the efficiency of resource consumption, either within the company or along its value chain (application of industrial symbiosis principles and implementation of an integrated value chain that transforms waste into production inputs; implementation of cycle closure models and/or application of eco-design and systemic design principles; implementation of processes based on natural principles for CO_2 capture and storage and/or CO_2 capture and utilisation, to support the achievement of decarbonisation and net-zero impact targets);
- fully reusable, recyclable or compostable products, placed in an efficient context of collection, separation and reuse after use;
- innovative technologies and activities that enable circular economy models (e.g. Internet of Things solutions for implementing tracking systems, reverse logistics and/or predictive maintenance; Big Data, Artificial Intelligence and Cloud Computing in order to dematerialise services and develop markets for commodities and/or secondary materials; regenerative agriculture practices and/or hydroponic/aeroponic/precision farming technologies to improve soil health, increase biodiversity, produce food close to the place of consumption and cultivate in unfavourable areas).

As previously mentioned, a review of the circular framework criteria was launched in 2025 to align them with the 'Harmonised Circular Economy Finance Guidelines'.

For the “Green, Social and Sustainability Bond Framework”, the eligibility criteria covered:
- renewable energies not for self-consumption and in particular investments in production, transmission, infrastructure and associated assets, such as solar, wind, bioenergy/biomass and hydroelectric energy;
- energy efficiency (storage of energy from renewable energy; smart grid technology and/or infrastructure; energy-efficient equipment for buildings);
- sustainable mobility (financing of low-carbon passenger cars and light commercial vehicles and urban and suburban road/rail passenger transport with zero specific CO_2 exhaust emissions; infrastructure enabling low-carbon road and public transport);
- green buildings (new, existing and renovated buildings that meet certain criteria, e.g. Class A Energy Performance Certificate (EPC), LEED/BREEAM high-level certification);
- environmentally sustainable management of living natural resources, land use and biodiversity (projects and activities aimed at the development and use of sustainable agricultural practices, conservation, preservation and/or restoration of nature and biodiversity and of natural habitats and ecosystems).

At present, the internal framework does not completely overlap with the criteria of the European Taxonomy on the circular economy. Therefore, the loans granted under this framework are not considered "aligned" with the criteria of the Taxonomy for the purpose of calculating the Green Asset Ratio.

Finally, in 2025, the Group prepared the document “Rules on Circular Economy” which came into effect in January 2026 to support its operations in the field of the circular economy. These are currently being finalised and are in line with the Group's "Guidelines for Governing Environmental, Social and Governance (ESG) Risks" and the "Rules for Classifying Sustainable Lending Products and Transactions”, contributing to sustainable finance products within a broader framework.

Objectives for resource use and circular economy

The Intesa Sanpaolo Group has confirmed its commitment to the circular economy by promoting the dissemination of this model, also drawing on the support of the Ellen MacArthur Foundation, a Strategic Partner of the Group since 2015 as part of a multi-year collaboration. The transition to a circular economy is also pursued thanks to the contribution of the Intesa Sanpaolo Innovation Center, although no quantitative targets have been defined.
As described in the next section, the Group has shown a strong commitment to promoting circular economy practices, which are considered an integral part of its sustainability strategy and a strategic opportunity to expand its commercial offering.

Actions related to resource use and the circular economy

In 2025, the Group reinforced its commitment to supporting the transition to a circular economy model by continuing and expanding on the initiatives launched in previous years.
The implemented actions covered several strategic areas, reflecting the Group’s integrated approach, and can be grouped into four macro-areas: finance, including tools and products dedicated to facilitating the transition of undertakings; innovation, including technical support and activities of the Circular Economy Lab; Corporate Centre, including the participation in institutional working groups, national and international collaborations and the development of projects linked to corporate operations, such as circular procurement; research and training, spreading a culture of circularity and developing new application models.

Finance

The Group earmarked 8 billion euro for undertakings to support initiatives that align with the green and circular criteria set out in the adopted internal framework. At the reporting date, the amount disbursed exceeded the earmarked amount. For further details, reference should be made to the “2022–2025 Business Plan”, available on the Group’s website.
With a view to concretely supporting undertakings in the circular economy transition process, the Group offers customers of the Banca dei Territori, IMI Corporate & Investment Banking and International Banks Divisions (IBD) the opportunity to access financing dedicated to the circular economy and which may include specific incentives. This opportunity is aimed at both Italian and foreign undertakings that adopt circular solutions in innovative ways, granting them the best conditions for access to credit.

In general, support has been provided for numerous company projects for activities such as the replacement of critical raw materials[175] and fossil fuel materials with recycled or organic materials, the reuse of urban organic waste for the production of biomethane and compost and the recovery of CO_2, the revamping of renewable energy plants with the extension of their lifetimes and the increase in their production capacity, and the recovery of industrial waste for its reuse in new product lines.

Furthermore, in 2025, the Group carried out its third synthetic securitisation[176] transaction in the area of ESG and circular economy with the aim of optimising the capital allocated to a portfolio of loans to undertakings with a high ESG Score and/or engaged in the circular economy. With a portfolio of around 1.5 billion euro, the transaction freed up additional resources to support a circular and sustainable economy, also thanks to the possibility of including new loans.

In the area of sustainable bonds, in 2019 Intesa Sanpaolo was the first Italian bank to issue a Green Bond worth 750 million euro focused on the circular economy and intended to support the loans granted by the Bank as part of dedicated credit supply. In this respect, financing attributable to the circular economy[177] that falls within the Group's "Green, Social and Sustainability Bond Framework" is a material component of the overall portfolio and has contributed significantly to reducing financed emissions. This result is similar to those generated by financing attributable to renewable energy, confirming the strategic role of circularity in reducing financed emissions.

Finally, the Group's commitment to support the circular economy also continued within the Wealth Management Division. Eurizon Capital SGR has established itself as a leader in the circular transition and is continuing to implement its strategy in Italy in collaboration with the Group's Private Banking division, as well as abroad. Eurizon promotes awareness of the circular economy in the investment world, also via the creation and dissemination of digital training materials.

Innovation

In addition to finance, the Group implements its circular economy strategy through specialised support for initiatives and innovation projects that foster the transition of undertakings. A central role in this area is played by the Circular Economy Lab, a multi-stakeholder innovation initiative set up in 2018 in Milan thanks to the collaboration between Intesa Sanpaolo, ISPIC, Fondazione Cariplo and Cariplo Factory. The Circular Economy Lab offers non-financial services to foster innovation, with the aim of supporting and accompanying the transformation of the Italian economic system and disseminating new models of value creation in the collective interest, accelerating the transition to the circular economy. The activities of the Circular Economy Lab fall into three lines:

- training, employing methods of disseminating the circular economy culture aimed at companies and the academic world, through dedicated workshops and lectures. In 2025, 14 lectures were delivered to both national and international universities or specialised courses.
- connection activities, through initiatives geared towards creating an open dialogue on the topic, engaging an extensive national and international network of companies, institutions, universities, research centres and other partners. During 2025, the following took place:
  - 9 Circular Economy dissemination events on specific sectors, 4 of them within the "ESG Workshops" of the Group's BdT Division.
  - the "Circular Economy: a future-proof economic paradigm" conference, organised in June 2025, as part of the renewal of the partnership with Cariplo Factory. The event brought together institutions, undertakings and academia with the aim of fostering the dissemination of circular economy practices and innovative and sustainable solutions, encouraging the adoption of circular models. During the event, the "Report on Circular Innovation in Italian Startups" was unveiled. This report is the result of a systematic analysis by the Circular Economy Lab of the Italian circular economy ecosystem through start-ups and innovative SMEs, based on the Open Innovation activities launched in the area since 2018. The study mapped more than 820 business entities from a proprietary repository of circular innovation solutions to identify where and how the capacity to innovate through circular-by-design models is concentrated.
- innovation activities, through innovative consulting services aimed at accelerating the transformation of SMEs and corporate entities towards circular business models. Specifically, six projects were carried out in 2025 with Intesa Sanpaolo corporate customers.

Corporate Center

With the goal of contributing to the dissemination and consolidation of the circular economy[178], the Group continued its international and national collaborations in 2025.

International initiatives

The main international initiatives included a collaboration with the financial initiative of the United Nations Environment and Finance Programme (UNEP FI) to promote circular economy best practices in the global banking sector.
In 2025, the Group's confirmed its participation in the task force coordinated by UNEP FI, "Circular Economy as an enabler to operationalise the nexus between climate, nature, pollution and healthy & inclusive economies". The initiative aims to align the Principles for Responsible Banking (PRB) with the circular economy. This recognises that the circular economy can be a strategic lever for the financial sector to achieve the objectives related to decarbonisation, biodiversity restoration, pollution reduction and support for local economies.

[175] Critical raw materials are strategic resources for an area and are at high risk of supply disruption because they are concentrated in a few countries or are difficult to replace. Examples include lithium, cobalt, nickel, rare earths and graphite.

[176] Value per transaction: 2.0 billion euro (2023), 2.5 billion euro (2024), 1.5 billion euro (2025).

[177] "Financing attributable to the circular economy" means loans earmarked to finance various technologies, solutions, products and services aimed at increasing efficiency in resource use and enabling circular economy business models. For further details, reference should be made to the "Green and Social Bond Report 2024" available on the Group's website.

[178] That is, activities to promote and disseminate the culture of the circular economy and the development of projects linked to business operations, such as circular procurement.

During the year, the Group took part in the "Policy Imperative and Financial Pathways to Scale Circular Economy Finance" working group through UNEP FI's Circular Economy Community of Practice. The aim of this group was to strengthen the role of financial institutions in financing the circular economy. The initiative encouraged peer-to-peer interaction and the exchange of best practices, with the aim of expanding financial support for circular models through collaboration.
Collaboration continued with UNEP FI and the Global Alliance on Circular Economy and Resource Efficiency (GACERE) on drafting the document Unlocking Circular Economy Financing: From Vision to Action. This document aims to identify shared solutions to capital shortfalls and promote a more effective and inclusive financial ecosystem to support the transition towards a circular economy.

In parallel, the Chief Institutional Affairs and External Communication Officer Governance Area coordinated collaboration between Intesa Sanpaolo, ISPIC and the International Finance Corporation (IFC, World Bank Group), which led to the publication of the Harmonised Circular Economy Finance Guidelines in May. These guidelines are intended to help investors, financial institutions and undertakings recognise and evaluate investment opportunities that promote the transition to circular economy models. They also provide criteria and operational guidance to direct capital flows and identify activities that are eligible for financing within the scope of the circular economy.
Drawing inspiration from the success of other sustainable finance frameworks dedicated to biodiversity, the blue economy and green bonds, the document aims to define categories of economic activities and financial instruments capable of mobilising private capital to support sustainable development and the transition towards circular economy models, encouraging the convergence of market practices and ensuring their applicability globally. The published guidelines are sector-agnostic and are based on existing guidance on financing the circular economy. In particular, they align closely with the European Union's categorisation system and the International Capital Market Association's Green Bond Principles, as well as the ISP Group's experience of what has been implemented and developed over the years.

In May 2025, during the 58th Annual Meeting of the Asian Development Bank[179], the Group – through ISPIC and the Chief Institutional Affairs and External Communication Office Area – promoted an event dedicated to the circular economy, highlighting the public and private crucial role of financial institutions in the transition towards sustainable economic models and in strengthening cooperation between Italy, Europe and the Asia-Pacific region.
In 2025, the Group reaffirmed its commitment to European and international institutional dialogue on circular finance. This was achieved by participating in the public consultation promoted by the European Banking Federation (EBF) regarding the European Commission's anticipated Circular Economy Act in 2026. The Group also organised a meeting at the European Commission in Brussels in collaboration with the Ellen MacArthur Foundation to reinforce the message of the central role of the circular economy in the Union's strategy.

National initiatives
The main national initiatives included those carried out by the Circular Economy Lab, in its new role as coordinator of the Italian Circular Economy Alliance, to strengthen the Alliance's role and positioning. These activities included the development of topic-based webinars and interactive workshops, as well as the launch of a Call4Solutions to identify and support circular innovation projects.
In collaboration with the Alliance, ISPIC helped to develop operational proposals based on the needs expressed by member undertakings, with the aim of launching new projects in 2026. Collaboration with the Freight Leaders Council continued through networking and co-design activities at specific events. Finally, with respect to the Water Value Community, which was promoted by The European House Ambrosetti, the 2024/2025 edition explored in detail the contribution of various segments of the extended water supply chain to the transition from linear to circular development models.
In 2025, the Group continued to experiment with innovative and circular ICT asset management models in order to promote the responsible reuse of resources and improve the efficiency of internal processes. During the year, the fifth, sixth and seventh pilot projects dedicated to enhancing decommissioned IT assets were completed. These projects involved reconditioning, reusing and selling equipment that was no longer in use. These activities reduced storage costs and contained CO_2 emissions during the decommissioning and disposal stages. In total, more than 6,500 IT assets were sold, including desktops and laptops, tablets and monitors, generating proceeds of around 120,000 euro.

Research and training
With respect to research, the Group's collaboration with Bocconi University in the Circular Economy & Finance area continued in 2025 through ISPIC, involving the university's independent research centre (GREEN)[180] in order to further expand the relationship between circular economy and sustainability, improve the metric for measuring the degree of circularity of undertakings (Circularity Score - CS) and assess the opportunities offered to the financial sector by the circular transformation of economic sectors, starting for example from the theory of de-risking financial portfolios. In 2025, the results of the research confirmed the impact of financial de-risking on the degree of circularity of undertakings.
A study of the theoretical model of Circular Shared Value (CSV)[181] in the banking sector was also launched. This approach is derived from the Shared Value model and integrates circular economy principles into the creation of shared value between banks, their customers and the local area. It promotes financial solutions that generate economic, environmental and social benefits throughout the entire value chain.
Another activity in the research area was ISPIC's collaboration through the Circular Economy Lab with the Energy & Strategy Observatory of Politecnico di Milano for the development of the "Annual Report on the State of the Circular Economy in Italy", which was published in November 2025.

[179] This is a global event that brings together finance ministers, central bank governors, representatives of international organisations, leaders of the private sector, representatives of civil society organisations and members of the media from countries in the Asia-Pacific region.
[180] Centre for Research on Geography, Resources, Environment, Energy & Networks.
[181] Developed by Porter and Kramer.

In the same area of research and dissemination, the collaboration with the Italian Circular Economy Stakeholder Platform (ICESP) continued in 2025 with the aim of promoting and disseminating circular economy best practices, as well as contributing to the national debate on transition policies. In this context, the Lab contributed to the publication of the "The Relationship Between the Circular Economy and Climate Change: Overview of Existing Legislation and Proposals for the Future" report.
At ICESP's invitation, the Group also took part in the UNI/PdR[182] working group, which was promoted by ENEA-SSPT[183] and CNR-STIIMA[184], as part of the public consultation aimed at defining the knowledge, skills, autonomy and responsibilities required for new professional profiles linked to the circular economy, including the role of Circular Economy Manager (CEM). The Group contributed by sharing its experience in the field of finance for the circular economy, and by making its banking expertise and the best practices it has developed in this sector available.
In 2025, the Circular Economy Lab contributed to the production of the "Towards the Circular Blue Economy" report, which was published by Centro Studi per il Mezzogiorno (SRM). SRM is affiliated with Intesa Sanpaolo and specialises in analysing the dynamics of the maritime transport, logistics and energy sectors in the Mediterranean basin.

Lastly, the Circular Economy Lab is a technical partner of Tech4Planet, the National Technology Transfer Centre for Environmental Sustainability, an initiative promoted by Cassa Depositi e Prestiti and co-invested, inter alia, by Neva SGR, Intesa Sanpaolo's venture capital company, with the aim of identifying and accelerating research projects by facilitating the path to business initiatives.

Activities aimed at the International Banks Division continued during the year in order to promote and disseminate the circular economy paradigm within the Group. In 2025, six online sessions were organised for the relationship managers of the Group's international subsidiary banks, with the aim of supporting the Group's people in their relationships with customers transitioning towards a sustainable and circular economy, also by sharing best practices at the Group level.

[182] The UNI/PdR (UNI Reference Practice) is a technical document drawn up under the coordination of the Italian Standards Body (UNI).

[183] ENEA-SSPT conducts research and technology transfer, as well as coordinating national initiatives, on behalf of the Italian National Agency for New Technologies, Energy and Sustainable Economic Development.

[184] CNR-STIIMA is the National Research Council's (CNR) Institute of Intelligent Industrial Technologies and Systems for Advanced Manufacturing.

Reporting pursuant to the EU Taxonomy (Regulation (EU) 2020/852)

Introduced within the framework of the EU Action Plan on Financing Sustainable Growth, Regulation (EU) 2020/852 (the "Taxonomy Regulation") establishes that activities can be defined as "environmentally sustainable" if they contribute to at least one of the following environmental objectives, without significantly harming the other objectives, and are carried out in compliance with minimum safeguards[185]:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

Various delegated acts have been adopted under the regulation over the years. For each of the six environmental objectives, the acts identify the "Taxonomy eligible" economic activities that can potentially contribute to the objectives and set out the screening criteria to assess whether they are "Taxonomy-aligned" by making a substantial contribution to at least one of the objectives. With respect to the content, methodology and presentation of information on environmentally sustainable economic activities, Delegated Regulation (EU) 2021/2178 was amended by the European Commission in July 2025 and published in the Official Journal of the European Union on 8 January 2026 with Delegated Regulation (EU) 2026/73 (the "Omnibus delegated act"). The latter is part of the European Commission's "Omnibus I" package, which aims to simplify sustainability legislation in key areas. These include the EU Taxonomy and reducing reporting burdens for undertakings and financial intermediaries, while ensuring the transparency and reliability of the environmental information provided to the market. The new regulation applies from 1 January 2026, with respect to 2025. Companies subject to Taxonomy reporting may apply for a one-year deferral if deemed appropriate. The Intesa Sanpaolo Group decided to report in accordance with the provisions set out in Delegated Regulation (EU) 2026/73, applying it in full. The main changes introduced include revising the GAR calculation methodology and eliminating the templates relating to the disclosure of nuclear energy and fossil gas activities, which are now reported in aggregate form in a single template.

In accordance with the regulatory framework in force and in light of the guidance provided by the European Commission,[186] for the year ended 31 December 2025, Intesa Sanpaolo Group measured the following KPIs, presented in tabular form where required:

- Green Asset Ratio (GAR);
- key performance indicator for financial guarantees (FinGuar KPI);
- key performance indicator for assets under management (AuM KPI);
- Green Asset Ratio – Sector-specific information including banking book exposures to the ten main sectors covered by the Taxonomy using the counterparty's NACE codes and aggregate disclosure on activities in the nuclear and in the fossil gas sectors;
- proportion of exposures to Taxonomy-aligned economic activities with reference to the further four environmental objectives and the new economic activities introduced for the first two environmental objectives.

For more information on the presentation of the KPIs in tabular form, see Annex I – Taxonomy Template of this Consolidated Sustainability Statement.

[185] The minimum safeguards are procedures implemented by an undertaking that is carrying out an economic activity to ensure alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

[186] In 2025, on the basis of the guidance set out in the Commission Notice of 8 November 2024 published in the OJEU and the additional set of guidance provided in the draft notice of 17 December 2025, the Group identified the best efforts needed to comply with the guidance, considering the time-frame and data available. It should be noted that the clarifications responding to FAQs contained in the draft notice are not binding.

Template 0: Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

		2025						
		Total exposure to Taxonomy-aligned activities (currency)		KPI[187] (%)	KPI[188] (%)	% coverage (over total assets)[189] (%)	non assessed exposures (% of covered assets)[190] (%)	non assessed exposures (% of covered assets)[190] (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Main KPI	**Green asset ratio (GAR) stock**	**26,315**	**30,805**	**9.19%**	**10.75%**	**36.45%**	**0.19%**	**0.19%**

		Total exposure to Taxonomy-aligned activities (currency)		KPI[187] (%)	KPI[188] (%)	% coverage (over total assets) (%)[189]	non assessed exposures (% of covered assets)[190] (%)	non assessed exposures (% of covered assets)[190] (%)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Additional KPIs	GAR (flow)	9,961	12,692	10.61%	13.51%	11.95%	1.29%	1.29%
	Trading book[191]	-	-	-	-	-	-	-
	Financial guarantees	165	222	5.76%	7.73%	-	-	-
	Assets under management	7,192	11,436	7.57%	12.04%	-	-	-
	Fees and commission income[192]	-	-	-	-	-	-	-

		2024					
		Total environmentally sustainable assets[193]	KPI (Turnover based)	KPI (CapEx based)	% coverage (over total assets)[194]	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)[195]	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)[196]
Main KPI	**Green asset ratio (GAR) stock**	**20,516**	**3.63%**	**4.36%**	**73.80%**	**44.02%**	**26.20%**

		Total environmentally sustainable assets[193]	KPI (Turnover based)	KPI (CapEx based)	% coverage (over total assets)[194]	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)[195]	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)[196]
Additional KPIs	GAR (flow)	5,859	8.11%	11.32%	9.43%	44.02%	26.20%
	Trading book[197]	-	-	-			
	Financial guarantees	161	2.72%	4.65%			
	Assets under management	4,417	1.97%	3.20%			
	Fees and commission income[198]	-	-	-			

As described in the introduction, in 2025, the Intesa Sanpaolo Group chose to report Taxonomy KPIs by applying Delegated Regulation (EU) 2026/73, which introduces significant methodological changes. In particular, the main changes involve revising the GAR calculation methodologies to ensure greater consistency between the numerator and denominator. The new methodology provides for the exclusion of certain items[199] from the denominator, including exposures to counterparties not subject to the CSRD, thereby improving the value of the indicator.
Intesa Sanpaolo Group's Turnover-based GAR stock of 9.19% consists of the following exposures:

- loans to households collateralised by residential immovable property that have been assessed as being Taxonomy-aligned for the environmental objective of climate change mitigation on the basis of compliance with the relevant technical

187 Based on the KPI relating to the counterparty's turnover.
188 Based on the KPI relating to the counterparty's capital expenditure.
189 % calculated as the ratio of KPI-covered assets to the Bank's total assets.
190 In accordance with Article 7(8) of this regulation.
191 The Trading Book KPI applies commencing as of 2027 (publication in 2028).
192 Revenue from fees and commissions from services other than lending and asset management. The Fee & Commission KPI applies commencing as of 2027 (publication in 2028).
193 Amounts are stated in millions of euro.
194 Percentage calculated as the ratio of KPI-covered assets to the Bank's total assets.
195 Percentage calculated as the ratio of assets excluded from the numerator of the KPI (in particular: derivatives, exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU, on-demand inter-bank loans, cash assets and equivalents, other asset classes and the trading book) to total covered assets. The percentage was found to be the same at flow level.
196 Percentage calculated as the ratio of assets excluded from the denominator of the KPI (specifically: exposures to central governments and supranational issuers, exposures to central banks and the trading book) to the Bank's total assets. The % was found to be the same at flow level.
197 The Trading Book KPI applies commencing as of 2027 (publication in 2028).
198 The Fee & Commission KPI applies commencing as of 2027 (publication in 2028).
199 In addition to exposures to counterparties that are not subject to the CSRD, the following assets are excluded from the GAR calculation: central governments and supranational issuers; exposures to central banks, trading book, derivatives, on-demand inter-bank loans, liquid funds and cash assets, other categories of assets (e.g. goodwill, commodities, etc.).

screening requirements for economic activities relating to the construction and real estate activities set out in Delegated Regulation (EU) 2021/2139 (6.06%)[200];
- Taxonomy-aligned exposures to financial and non-financial counterparties subject to CSRD requirements (3.13%).

With respect to the comparative information[201] for the previous year, the Intesa Sanpaolo Group discloses "Template 0 – Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation", which is considered a material KPI. The change in the GAR compared to the previous year is due to the introduction of the new calculation methodology. Applying this methodology to the GAR published in the previous reporting period (equivalent to 3.63%) would produce a restated value of 7.60%, which is comparable to the 9.19% recorded in 2025. Using the same methodology, the increase of approximately 20.92% is mainly attributable to loans to households secured by residential property.

The KPI for financial guarantees considers financial guarantees securing loans, advances and debt securities financing economic activities pursued by financial and non-financial undertakings and local authorities, net of exposures to counterparties not subject to the CSRD[202]. The differences seen in the indicator compared with the year ended on 31 December 2024 are primarily attributable to methodological changes that have affected the calculation of the exposure values included in the denominator.

The KPI for assets under management considered investments at the consolidated level held by Eurizon Capital SGR[203], Fideuram Intesa Sanpaolo Private Banking S.p.A.[204] and VUB[205], including any assets delegated to third parties for management and excluding assets managed under delegation on behalf of third-party financial undertakings[206], net of exposures to counterparties not subject to the CSRD.

In general, with reference to the calculation of the key performance indicators reported:
- exposures to non-financial counterparties where "use of proceeds is not known" have been weighted according to Turnover and Capital Expenditure (CapEx) that is Taxonomy-eligible and Taxonomy-aligned for all the environmental objectives published by those counterparties in their sustainability statements (actual data)207 and obtained by the Bank through a specialist infoprovider;
- exposures to financial counterparties where "use of proceeds is not known" have been weighted according to Turnover and Capital Expenditure (CapEx) that is Taxonomy-eligible and Taxonomy-aligned for all the environmental objectives published by those counterparties in their sustainability statements (actual data)208 and obtained by the Bank through a specialist infoprovider;
- exposures to financial and non-financial counterparties where "use of proceeds is known" have been considered to the extent that the assets financed are economic activities which are taxonomy-aligned with respect to all environmental objectives. In particular, the exposures relating to debt securities have been weighted according to the eligibility and alignment percentages relating to individual ISINs and obtained by the Bank through a specialist infoprovider.

Taxonomy in the business and financial strategy and in product design

Through the 2022-2025 Business Plan, the Intesa Sanpaolo Group has continued to generate increasing and sustainable value, further strengthening its leading position in ESG issues with a world-class position in terms of social impact and a strong focus on climate. The Group is specifically playing its part in fast-tracking the transition to a sustainable economy through its target of net-zero emissions by 2050 for the loan and investment portfolios, asset management and insurance business.

Intesa Sanpaolo Group appreciates that the Taxonomy was designed with a view to assigning the European banking system a crucial role in boosting the real economy to pursue the European Union's ambitious strategy for sustainable development and the transition towards a low-carbon economy, increasing the level of transparency and comparability of markets. In this context, the Group has implemented its "EU Taxonomy Green Enhancement" project as part of the Business Plan to respond to the regulatory requirements of the EU Taxonomy, assess the level of regulatory alignment of its loans, and actively steer the loan portfolio, in particular for new disbursements, by identifying new business opportunities, also through new products, and reviewing the pricing incentive system.

[200] The alignment checks also covered compliance with the DNSH criterion for the environmental objective of climate change adaptation (i.e. assessment of physical risk).
[201] In addition to the requirements set out in Article 8(3) of Delegated Regulation (EU) 2021/2178, FAQ No. 4 of the Draft Commission Notice, published on 17 December 2025, addressed the disclosure of EU Taxonomy KPIs in comparative form between years "T" and "T-1".
[202] For the 2025 financial year, financial guarantees attributable to local authorities are included in the calculation of the FinGuar KPI, excluding all exposures to counterparties not required to prepare the CSRD, in line with the provisions of the revised version of Template 1 in Annex VI to Delegated Regulation (EU) 2026/73
[203] Eurizon Capital Real Asset SGR SPA, Eurizon Capital SGR SPA, Eurizon Asset Management Croatia DOO, Eurizon Asset Management Hungary LTD, Eurizon Asset Management Slovakia Sprav. Spol. AS, Eurizon SLJ Capital Limited.
[204] Fideuram Intesa Sanpaolo Private Banking S.p.a., Fideuram Asset Management (Ireland) DAC.
[205] Vseobecna Uverova Banka A.S., Vub Generali Dochodkova Spravcovska Spolocnost, A.S.
[206] As envisaged by FAQ No. 41 (Commission Notice of 8 November 2024).
[207] As envisaged by FAQ No. 3 (Commission Notice of 8 November 2024).
[208] As envisaged by FAQ No. 3 (Commission Notice of 8 November 2024).

Social information

ESRS S1 – Own Workforce

Characteristics of Group employees and breakdown[209]

Below we report key information on the breakdown of the Group's own workforce. For information on the reference boundary at 31 December 2025, reference should be made to the "Basis for preparation and methodology" section of the ESRS 2 – General disclosures chapter.
The workforce shown below refers to the total number of employees in service at the reporting date and does not include contractors engaged on project-based and temping contracts (and not on employment contracts).[210]

At 31 December 2025, the Group workforce amounted to 90,789 employees. The following table shows the breakdown of the total number of employees by gender for 2025 and 2024.

Table – Number of employees by gender

	2025	2024
Women	49,618	50,725
Men	41,171	42,814
Other	-	-
Not disclosed	-	-
TOTAL	**90,789**	**93,539**

Compared with 31 December 2024, the number of employees in the Group decreased mainly as a result of voluntary exits arising from agreements signed with the trade unions, as well as the management of natural turnover.

The following table shows the breakdown of the total number of Intesa Sanpaolo Group employees for the past two years by gender and contract type. As shown in the table, almost all Group employees are employed on a permanent basis.

Table – Employees by type of contract, broken down by gender

	2025					2024				
	Women	Men	Other	Not disclosed	TOTAL	Women	Men	Other	Not disclosed	TOTAL
Permanent employees	48,131	39,941	-	-	88,072	49,225	41,692	-	-	90,917
Temporary employees	1,487	1,230	-	-	2,717	1,500	1,122	-	-	2,622
Employees with variable working hours	-	-	-	-	-	-	-	-	-	-

In 2025, the total number of employees that left the Group amounted to 7,477 (5,511 in 2024), with a turnover rate for the period of 8.24% (5.89% in 2024). The turnover rate was measured as the ratio of total employee terminations to total headcount at year end, where terminations included all employment contracts terminated during the year (voluntary resignations, dismissals, retirement, exit incentives, death, etc.). As shown above, this rate increased compared to the previous year, primarily due to the implementation of agreements with the trade unions. This resulted in a higher number of exits and voluntary departures in 2025.

Finally, it is noted that, similarly to 2024, Italy is the only country where the Group's workforce is significant (meaning 50 or more employees making up at least 10% of the total), with a total of 68,894 employees (71,174 at 31 December 2024), accounting for 76% of total headcount, in line with the previous year.

As already outlined in chapter ESRS 2 - General disclosures, section "Basis for preparation and methodology", the Group introduced new metrics (entity-specific metrics) in the 2025 Report, for which comparative data are not presented.
The following tables show the headcount of employees in service at the end of the reporting period (31 December 2025).

[209] The key information relating to employees set out in this section is reflected in the "Alternative performance measures and other indicators" section of the Report on operations which accompanies the consolidated financial statements.
[210] The total headcount of employees stated in the "Alternative performance measures and other indicators" section in the Report on operations is equal to 90,831. This figure refers to the number of employees, including contractors not on employment contracts, at the end of the reporting period included in the consolidated financial statements.

Table – Full-time and part-time employees by gender[211]

	2025
Breakdown of full-time employees by gender [no.]	79,407
Men	39,439
Women	39,968
Breakdown of part-time employees by gender [no.]	11,382
Men	1,732
Women	9,650

Table - Average age of employees[212]

	2025
Average age of employees	47.7
Men	48.7
Women	46.9

Table – Employees by category and gender [% of total employees][213]

	2025
Executives	2.1%
Men	1.4%
Women	0.7%
Middle management	37.6%
Men	21.7%
Women	15.9%
Proessional staff	60.3%
Men	22.2%
Women	38.1%

Table – Employees by category and gender [% of total category][214]

	2025	
	Men	Women
Executives	68.7%	31.3%
Middle management	57.8%	42.2%
Professional staff	36.8%	63.2%

The Group's commitment to human rights

The Group strives to promote respect for human rights and foster a corporate culture based on respect for the person and individual dignity by protecting the physical and moral integrity of its people, through management based on respect for the personality and professionalism of each individual, within a framework of loyalty and mutual trust. The protection of workers' rights and human rights is focused on compliance with the general principles set out in the Code of Ethics and with the Principles on Human Rights. In addition, the Group is a signatory to the UN Global Compact. This is a voluntary initiative promoted by the United Nations which encourages companies worldwide to adopt sustainable and socially responsible practices. The initiative covers various thematic areas, including human rights. The Code of Ethics draws on leading national and international initiatives for the protection of human rights (such as the Universal Declaration of Human Rights proclaimed by the United Nations, the UN Covenant on Civil and Political Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises), setting out the values of the Group in an effort to steer individual conduct towards them. All Group companies have adopted the Code of Ethics in their governance systems to incorporate social and environmental considerations into processes, practices and decision-making, alongside the obligations of Legislative Decree 231/2001. The Code of Ethics is updated regularly to reflect changes in the Bank's operational framework, ensuring the full transparency and consistency in order to strengthen the ongoing relationship of trust with stakeholders.

[211] Entity-specific metric.
[212] Entity-specific metric.
[213] Entity-specific metric.
[214] Entity-specific metric.

The cardinal principles in relations with the Group's people, as set out in the Code of Ethics and with which all Group policies are aligned, are:

- listening and dialogue: the Group leverages listening and dialogue with its people to promote the strategic role of internal communication, disseminate tools for sharing information and identify the needs of its people;
- transparency: the Group aims to continuously further a culture of transparency on which to build relationships between people. Transparency underpins all its actions, allowing people to make informed, aware and independent decisions;
- equity, diversity and inclusion: for the Group, respect for individuality and the dignity of people is fundamental for creating an inclusive workplace committed to preventing all forms of discrimination and to respecting difference (in terms of gender, gender identity and/or expression, emotional and sexual orientation, marital and family status, age, ethnic origin, religious belief, political and trade union affiliation, socio-economic status, nationality, language, cultural background, physical and mental conditions or any other individual traits of a person, also in relation to the expression of opinion);
- respect for people: the Group strives to prevent any conduct that is harmful to human dignity, guaranteeing assistance and confidentiality, and to promote a workplace that is respectful of privacy, sustainable and conducive to achieving a work-life balance;
- protection of health and safety: the Group works to ensure the health and safety of its people and promote an experience of work that is respectful of their physical and mental health, by identifying and governing occupational health and safety risks and adopting preventive and protective measures, with residual risks managed through emergency and intervention plans for improving the well-being of people;
- appreciation and motivation: the Group recognises the strategic importance of the relational, intellectual, organisational and technical skills of every individual, and considers them fundamental in valuing and motivating people in relations;
- cohesion: the Group works to strengthen the spirit of belonging in people by spreading its values, sharing strategies and objectives, supporting leaders, creating ways of participating in success and promoting solidarity initiatives;
- management and staff remuneration policies: the Group's remuneration policies are based on the principles of equity, merit and the sustainability of outcomes.

To promote its maximum reach, the Code of Ethics is published on both the institutional website of the Group and on the company intranet. It has been produced to be used also for the blind and visually impaired, following the accessibility rules certified by the LIA Foundation (for accessible Italian books). In addition, a copy of the Code of Ethics is given to every director, employee and contractor upon their appointment, employment or engagement.

To give concrete expression to the commitments and values set out in the Code of Ethics and to ensure the rights of every person are respected, the Group applies the Principles on Human Rights, as approved by the Board of Directors, which take up and develop the values set out in the Code of Ethics. The Principles on Human Rights define the Group's commitment vis-à-vis all stakeholders, including people, customers, suppliers and communities. Alongside the commitment to complying with relevant legislation in all the countries where it operates, the Principles on Human Rights are the Group's pledge to identifying, mitigating and, where possible, preventing potential adverse human rights impacts connected with its operations, in line with the Declaration of Human Rights proclaimed by the United Nations and the UN Guiding Principles on Business and Human Rights. These commitments are also consistent with the ten principles of the UN Global Compact on human rights, labour, environment and anti-corruption. Specifically, the Principles on Human Rights protect freedom of association and the right to join trade unions and councils representing the Group's people and combat any form of child labour and forced labour. They also promote: equal opportunities and non-discrimination, health and safety in the workplace, the right to privacy and personal dignity, fair and respectful working conditions. The document is provided to all the Group's people and is published on the institutional website of the Group

The Group has additionally adopted Diversity, Equity & Inclusion Principles to give concrete expression to its commitment to implementing policies promoting the inclusion of all forms of diversity both inside and outside the Group.
Finally, in keeping with its firm commitment to the respect for human rights and in line with the requirements of the legislation in force in some of the countries in which it operates, the ISP Group issues an annual Modern Slavery Statement, disclosing the actions taken to combat any risk of modern slavery in its own operations and in the value chain. For more information, see the Intesa Sanpaolo Modern Slavery Statement on the institutional website of the Group.

Metrics on human rights in the own workforce

The following table presents a series of metrics for monitoring incidents and complaints concerning social matters and human rights in relation to Group employees. Specifically:

- "Total number of incidents of discrimination" shows the number of criminal litigations or labour law suits brought by employees against the group and internally-verified cases of non-compliance, all in relation, on a primary or secondary basis, to discrimination, including harassment;
- "Number of complaints filed through channels for employees" measures the number of reports filed by Group people through the relevant channels provided (such as the Code of Ethics inbox, the whistleblowing system and the channel for reporting sexual harassment) raising concerns on various issues connected with social matters, such as working conditions, equal treatment and the fundamental rights of workers;
- "Number of complaints filed with National Contact Points for OECD Multinational Enterprises" shows complaints sent to National Contact Points for OECD multinational enterprises related to the same matters addressed by the previous metric;
- "Total amount of fines, penalties and compensation for damages as a result of incidents and complaints" discloses the overall amount of fines, penalties and compensation imposed on the Group as a result of the incidents or complaints reported above;
- "Number of severe human rights incidents" shows the number of severe human rights incidents connected to the Group's workforce. The severity of the incidents is assessed on the basis of the scope, scale and irremediable character of the incident;
- "Number of severe human rights incidents constituting non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises"

discloses how many of the severe human rights incidents reported breached the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises;
- "Total amount of fines, penalties and compensation for damages as a result of human rights incidents" reports the overall amount of fines, penalties and compensation imposed on the Group for serious human rights incidents reported.

Table – Human rights incidents and violations

	2025	2024
Number of incidents of discrimination	12	9
Number of complaints filed through channels for own workers to raise concerns	53	39
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	-	-
Amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors (€)	-	43,742
Number of severe human rights issues and incidents connected to own workforce	-	-
Number of severe human rights issues and incidents connected to own workforce that are violations of UN Global Compact Principles and OECD Guidelines for Multinational Enterprises	-	-
Amount of material fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce (€)	-	-

Below we provide contextual information on the data presented in the foregoing table:
- 12 incidents of discrimination reported in 2025, specifically relating to:
  - 6 verified cases of sexual harassment, reported through the channels provided, for which the Group consequently activated disciplinary measures;
  - 4 litigation cases over alleged discriminatory conduct on health grounds and alleged inappropriate conduct, deemed unfounded by the Group;
  - 2 pre-litigation cases relating to alleged discrimination on gender and disability grounds. Both cased were settled amicably during the year following dialogues with the affected parties.
- 53 reports received from Group people in Italy and abroad through the Code of Ethics, whistleblowing and sexual harassment reporting channels. The reports mainly concerned issues relating to work-life balance, people's confidentiality and collective bargaining, as well as alleged sexual harassment;
- In 2025, there were no fines, penalties or compensation resulting from the incidents and reports disclosed.

Job protection and labour relations

Job protection and labour relations policies

Workers' rights in the Group are protected by the general principles of the Code of Ethics, the Principles on Human Rights, the Principles on Diversity, Equity and Inclusion and by the collective bargaining system, which operates fully on two distinct and complementary levels, the national level and the Group level.

The Group makes every effort to guarantee freedom of association in trade unions and workers' councils, adopt complementary protection measures and give all its people the chance to express their individuality and creativity in their jobs, bringing out the best in each of them, as a driving force for innovation and an essential contribution to the Group's growth.

In keeping with the commitments enshrined in the Code of Ethics, the labour relations management model is based on collective bargaining agreements made at both the national level and enterprise level. Compliance with these rules and the regulatory framework in force is instrumental to improving the working environment, with a view to continued growth in the quality of relations between the Group and its people.

On 24 December 2025, Intesa Sanpaolo and the Group Trade Union Delegations ("OO.SS.") reached an agreement on certain aspects of the Group Second-Level Collective Agreement, identifying the regulatory framework that will apply to the Group's employees from 1 January 2026 to 31 December 2029.
While maintaining the structured system of measures already implemented over time for the Group's employees and their families, significant new initiatives have been introduced, such as supplementary pension schemes, the increase in the value of meal vouchers and work-life balance, with particular attention to the needs of parents and caregivers, and with the goal of fostering cohesion and solidarity among generations within the company.

For further details on the impacts, risks and opportunities (IROs) covered by the policies relating to job protection and labour relations policies, reference should be made to the IRO table set out in the paragraph "Materiality assessment" in the ESRS 2 – General disclosures chapter.

The tasks and powers delegated by law and industry regulations for enterprise-level bargaining are exercised by the Group Trade Union Delegation, in relation to: performance bonuses or the broad-based short-term plan, supplementary pension schemes, healthcare, guarantees relating to safety at work, protection of health and hygiene conditions at work, job positions and career development plans.

Engagement with trade unions is also pursued through a number of bilateral bodies made up of company representatives and the trade unions, supplemented from time to time by technical experts that provide specific expertise on the topic covered.

These include the Welfare, Safety and Sustainable Development Committee which is tasked with finding solutions to improve the well-being of the Group's people and make a positive contribution to productivity with advanced and innovative responses in the area of pensions, welfare and services for families, education and an improved work-life balance. Following the renewal of the Labour Relations Protocol in July 2025, the Committee was assigned additional responsibilities, including the promotion of initiatives aimed at improving and raising awareness of corporate social responsibility.. Finally, the Committee receives specific disclosure when the Group's Consolidated Sustainability Statement is submitted.
Furthermore, the bilateral Consultation Committee is called to address work initiatives of general interest to the Group, in particular as concerns the application methods and interpretation of agreements in place, and, where necessary, receives reports on progress made on the Business Plan.
The Labour Relations Protocol confirmed the role of the Digital Transformation, AI and Privacy Committee, a bilateral body tasked with monitoring the impacts arising from technological innovation and the new digitalisation measures introduced by the Group, specifically as regards impacts on bank branches, with findings presented at the negotiating table with the Group. The Protocol also provides for local level meetings on a more or less quarterly basis, providing additional opportunities for engagement with trade unions.

Finally, the Joint business policy and corporate climate committee adopts uniform criteria for assessing reports of business conduct in breach of the Group's values and the provisions of collective bargaining agreements concerning business policy.

The development of labour policies is managed by a specific unit in the Governance Area of the Chief People & Culture Officer, which is tasked with drawing up trade union agreements and monitoring their implementation. The Head of Relations with Workers' Representatives and Welfare is responsible at the operational level.

Remuneration policies
At the national level, Intesa Sanpaolo is a member of the Italian Banking Association and applies the National Collective Bargaining Agreement for the credit sector. The bank actively participated in the last renegotiation of the agreement, signed on 23 November 2023. For relevant delegated matters, direct employment relationships are also governed by enterprise-level collective bargaining.

The enterprise-level agreement addresses remuneration matters in relation to pay structure and pay levels for the employment grades envisaged under the national collective bargaining agreement. Enterprise-level bargaining also sets out specific provisions for career development paths and additional employee benefits, such as meal vouchers. The development of remuneration policies is tasked to the Governance Area of the Chief People & Culture Officer.

In relation to employees outside of Italy, the Group complies with collective bargaining agreements where they exist, or the provisions of local labour law. The Group undertakes to apply standard conditions across the countries where it operates.

The application of collective bargaining agreements to Group employees ensures an adequate salary at national level, in line with the requirements of legislation. The 23 November 2023 agreement signed jointly by Intesa Sanpaolo, the Italian Banking Association and national trade union representatives provided for an average pay rise of 435 euro per month, applicable in tranches: 250 euro as from 1 July 2023, 100 euro as from 1 September 2024, 50 euro payable as from 1 June 2025, and 35 euro as from 1 March 2026.

In addition, in line with the Remuneration and Incentive Policies of the Group, where a revision process is activated for the pay levels of personnel in positions covered by enterprise-level agreements, the guidelines applicable were set out. The guidelines highlight the need for comprehensive consistency in pay initiatives and for special focus to be placed on gender equality, outlining a priority scale that takes into consideration market benchmarks for the remuneration of positions covered and the performance of people. The approach respects the principle of "equal pay for equal work" and seeks to help make the Group an "employer of choice" able to attract, motivate and retain the best talent.

In particular, the Group ensures that its remuneration and incentive systems and all decisions concerning pay are based on merit and professional skills, regardless of the gender or other diversity of the person, and that they uphold the principles of equity. For more information on this topic, reference should be made to the paragraph "Equal pay policies" in the "Diversity, Equity and Inclusion" section. See also the Report on Remuneration Policy and Compensation Paid, published on the institutional website of the Group.

In 2015, under collective bargaining provisions and specific trade union agreements, the Group and trade unions agreed to the introduction of a broad-based short-term plan (PVR), which incorporates a productivity bonus for the workforce as a whole into the incentive system designed to reward outstanding performance by awarding a growing bonus for the delivery of set objectives.

For all Group company people of the Italian boundary under the National Collective Bargaining Agreement, with the exception of Risk Takers and Middle Management, for whom specific incentive systems are envisaged, a trade union agreement was signed on 15 April 2025 for the payment of the 2025 PVR, both on a distributive-participative basis, to reward the collective contribution made toward year-end earnings and delivery of the targets set by the 2022–2025 Business Plan, and on an incentive basis, to reward team effort and performance.

The 2025 PVR is made up of two components:
- Base Bonus, awarded on the basis of the professional profile, consisting of a fixed amount for all employees and an additional quota for incomes up to 40 euro.

- Excellence Bonus, awarded on the basis of outstanding individual performance and team objectives, consisting of specific components reserved to network personnel in the Banca dei Territori Division.

The amount of the Base Bonus awarded ranged from a minimum of 1,275 euro to a maximum of 3,140 euro, on top of which the Excellence Bonus will be paid.

As in other years, in 2025 employees absent for long periods of time were still able to participate in the PVR, with special attention paid to protecting employees away on parental leave.
In addition, confirming the importance that the issues of assistance and services for families and work-life balance have in the Group's policies, employees had the option of requesting that all or part of their PVR bonus be paid in the form of welfare services, taking advantage of the opportunities that the tax regulations in the area of workplace productivity remuneration offer employees year by year. Finally, for personnel with an insurance contract within the Italian boundary, the agreement of 30 April 2025 provided for the awarding of the Additional Variable Bonus (AVB) and the Social Bonus.

Metrics on collective bargaining coverage and social dialogue

As at 31 December 2025, a total 89% of Group employees were covered by applicable national collective bargaining agreements, with 100% of Italian employees covered. These values are in line with those disclosed in 2024. In countries where coverage by collective agreements is not envisaged, the Group handles labour relations with employees in compliance with the provisions of local labour law.

For the Italian boundary only, the proportion of employees who are union members is 74.6%, which is in line with the 76% recorded in 2024[215].

The following tables shows the coverage rate of employees covered by collective bargaining agreements and workers' representatives for countries where the Group's workforce is significant. As specified in the section "Characteristics of Group Employees and Breakdown", Italy is the only country where the Group's workforce is significant.

Table - Collective bargaining coverage and social dialogue

Coverage rate	Collective Bargaining Coverage		Social Dialogue
	Employees – EEA[216]	Employees – non EEA	Workplace representation (EEA only)
0-19%			
20-39%			
40-59%			
60-79%			Italy (74.6%)
80-100%	Italy (100%)		

Finally, we report that no agreements exist for the representation of employees by a European Works Council (EWC), a Societas Europaea (SE) Works Council or a Societas Cooperativa Europaea (SCE) Works Council.

Metrics on adequate wages

The Group is committed to guaranteeing an adequate wage for all its employees. In this regard, similarly to 2024, in each of the countries where the Group operates, all employees are paid an adequate minimum wage.
Here, "adequate minimum wage" means the minimum set by law at the national level or determined on the basis of collective bargaining agreements[217].

Processes for engaging with own workers and their representatives

The labour relations model, adopted and developed by the Group together with trade unions, promotes dialogue between the parties on a continuous basis. The model is a way of identifying the most suitable solutions and tools for addressing and managing the various growth and reorganisation phases. As mentioned, trade union relations are organised and developed also through the work of bilateral company/trade union bodies, formed with the aim of analysing, identifying and proposing positive actions, solutions and tools in the areas of equal opportunities, welfare, safety and sustainable development. Operational responsibility for ensuring dialogue with workers' representatives is tasked to the Relations with Workers' Representative and Welfare unit in the Governance Area of the Chief People & Culture Officer.

Relations with trade unions are regulated within an industry framework and by the "Labour Relations Protocol", which was recently renewed with the agreement dated 18 July 2025, which has made it possible to implement a specific trade union relations model within the Group. Accordingly, meetings with trade union representatives are held at the Group Delegation level and/or through the Welfare, Safety and Sustainable Development Committee, generally on a weekly basis. The Consultation Committee is convened whenever the need arises for joint efforts to identify possible solutions to disputes and for meetings to

[215] The data refer to workers within the Italian boundary who have a labour contract of the credit or insurance sector and who were union members at 31 December 2025.
[216] European Economic Area.
[217] For countries in the European Economic Area, reference is made to Directive (EU) 2022/2041 on adequate minimum wages; whereas for countries outside the European Economic Area, wage levels are set in accordance with international, national or subnational standards or with collective bargaining agreements, providing they guarantee dignified living standards.

discuss labour matters of general interest to the Group. The Joint Business Policy and Corporate Climate Committee generally meets on a quarterly basis. Meetings are also held on the local level, generally on a quarterly basis, as an additional opportunity to engage with trade unions.

Dialogue with trade unions regarding company projects is ongoing, prompt and aimed at identifying shared solutions to the various requirements that come to the attention of the parties. This also takes place in accordance with trade union coverage in Italy[218] and in line with national coverage in the sector. More than 30 agreements were made in 2025.

Remediation processes for employees and their representatives and reporting channels

The Group provides various company channels for reporting grievances, needs and concerns, such as the Code of Ethics inbox and the whistleblowing channel. The Code of Ethics inbox allows any breaches to be reported via e-mail, guaranteeing maximum confidentiality and protection from any form of retaliation, discrimination or penalisation. The whistleblowing channel allows any user covered by the process (employees, contractors, suppliers, consultants, etc.) to report suspected infringements, both actual or potential, via the specific mechanisms activated 24/7. For further information on the Code of Ethics reporting channel and the whistleblowing procedure, see, respectively, the sections "Policies, targets and actions related to business conduct" and "Whistleblowing policies, targets and actions" in the ESRS G1 – Business Conduct chapter.
In this respect, collective bargaining processes additionally envisage occasions for assessing any infringements and specific mechanisms that are activated in the event of a dispute. Where a breach is found to infringe the law, the process is no longer handled at the company level, but through national/international legal process. The "Labour Relations Protocol" similarly envisages bodies and processes to check application methods and the interpretation of agreements in place. One such body is the Consultation Committee, in which the Group and trade union representatives, inter alia, work together to identify possible solutions for disputes arising at the local level.

The Joint Business Policy and Corporate Climate Committee adopts uniform criteria for assessing reports of business conduct in breach of the Group's values and the provisions of collective bargaining agreements concerning business policy. The objective is to guarantee constant monitoring and the formalisation of action proposals for preventing critical situations. Such reports can be made directly by Group people and/or trade unions to the dedicated inbox, which guarantees the protection of personal data and the constant monitoring of reports.

Where necessary, agreements contemplate occasions for discussion and checks on their implementation in cases such as changes in company organisation, with specific and timely meetings held with the Group Delegation, Welfare, Safety and Sustainable Development Committee and/or the Consultation Committee.

Job protection targets and metrics[219]

Over the 2022-2025 Business Plan, which ended on 31 December, Intesa Sanpaolo reallocated and reskilled 9,327 Group people, exceeding the Plan target of 8,000, on priority initiatives, enhancing the most strategic roles and skills for the Group through upskilling and reskilling programmes. In 2025 alone, 2,425 employees were involved, in addition to the 6,902 people who had been reskilled at 31 December 2024. Overall, these programmes aimed to improve the skills of the Group's employees and help them to develop professionally, enhancing their contribution to high-value activities.

Target: Reskilled/upskilled people (2022–2025) – Number of people acquiring new skills and reskilled for new profiles[220]

	Date	Value
Baseline[221]	31.12.2021	-
Final number	31.12.2024	6,902
Final number	31.12.2025	9,327
Target	2025	8,000

Actions related to job protection and labour relations

For Intesa Sanpaolo Group, job protection is also a key element of the 2022–2025 Business Plan. Accordingly, with a view to fast-tracking generational changeover within the framework of technological transformation, with a resilient and sustainable business model for a scenario of digitalisation and artificial intelligence, on 23 October 2024 Intesa Sanpaolo sealed an agreement enabling the roll-out of service and business models designed to be simpler and more effective for customers, but also to give time for professional development activities, involving a major upskilling/reskilling plan to tackle the need to spread new digital skills and cover new job roles.
The agreement envisages the cutback of the workforce by 4,000 employees by the end of 2027, exclusively on a voluntary basis for retirement or access to the industry solidarity fund. Concurrently, again under the trade union agreements in place, including the 23 October 2024 agreement, 4,600 new permanent hires were planned by 31 December 2025, plus another 3,500 permanent new hires by 30 June 2028, for the balanced management of the effects arising from the cutback and in order to support the Bank's growth.
In addition, an agreement was signed in December 2025 that provides for further voluntary exits for employees who have acquired, or will have acquired by 31 December 2026, the right to a pension. Consequently, new hires will be made with the same care and in the same proportions established by the Agreement of 23 October 2024, with particular attention to women victims of violence included in the "protection programmes" under Article 1 of the National Protocol for the Banking Industry of 24 November 2025.

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[218] For more details, reference should be made to the "Metrics on collective bargaining coverage and social dialogue" section.

[219] The information relating to the "Reskilled/upskilled people" indicator set out in this section is reflected in the section "2025 in brief" – paragraph "The 2022-2025 Business Plan and the new 2026-2029 Plan" of the Report on operations which accompanies the consolidated financial statements.

[220] Entity-specific metric.

[221] Plan target that represents the planning of a new activity that does not have a base Value.

In this framework, in 2025, approximately 2,500 employees left and roughly 1,300 new hires joined the Bank, completing the plan for the 4,600 hires envisaged. The Bank's employment policies also envisage mixed contracts for new hires, involving a working method whereby individuals are engaged on two contracts, one on a permanent part-time employment basis and one as a self-employed financial advisor for off-site offering. At the end of 2025, 2,000 people were in service on such a contract.

The Group continues to pursue its commitment to taking action to foster growth opportunities and enhance human capital. This contributes to a stronger brand reputation and the development of a culture of responsible innovation.

In keeping with the strategy adopted and in view of the Business Plan target to reallocate and reskill/upskill 8,000 people by 2025 for new priority initiatives, in 2025 more than 2,400 people (9,327 at the end of the Plan) were involved in reskilling and upskilling plans primarily targeted at business development (such as Digital Branch), controlling functions (Enabling Integrated anti Financial Crime – ENIF/Know your customer – KYC), technological projects (Application Digitalisation, Data & Analytics) and training on data, AI and technology (MATRIX project) [222].

From a geographical point of view, the people involved in the various programmes were located throughout the entire country, leveraging a "delocalisation" concept (i.e. the transfer, where possible, of certain activities to decentralised locations away from the main offices) implemented on an increasingly wider basis, also thanks to the growing reach of new working methods as part of the "Next Way of Working" project[223].

In the Governance Area of the Chief People & Culture Officer, the Group Internal Mobility & Reskilling Center oversaw mobility tools and processes in 2025, assessing the availability of internal people and their relative skill sets, on the basis of needs identified and facilitating the adequate staffing of new areas.

Since the start of the Business Plan in 2022, activities have been monitored and reported on a quarterly basis, with a view to delivering all the Plan's targets by its conclusion at the end of 2025. People involved in change programmes were sent regular anonymous surveys to check their level of satisfaction, motivation and engagement in the activities of their new jobs. To date, the feedback have shown high levels in all the areas.

Social protection instruments[224]

The Group introduced new metrics (so-called entity-specific metrics) in the 2025 Report, for which comparative data are not presented. The Group places particular importance on social protection for its employees. In this context, all Group employees are covered by social protection measures, i.e. the set of measures aimed at reducing and preventing poverty and vulnerability throughout the life cycle, whether through public systems or company benefits. The coverage includes loss of income due to illness, unemployment, employment injury or acquired disability, taking parental leave and retirement.

In full compliance with the legislation in force in the countries in which the Group operates, social protection mechanisms relating to unemployment coverage and pension contributions are guaranteed for all categories of workers, in accordance with the methods and timelines set out in the relevant local legislation. It is noted that for a Group company based in the United Arab Emirates, the jurisdiction of the Dubai International Financial Centre (DIFC) and local legislation (DIFC Employment Law) do not provide for a public pension scheme nor a public unemployment benefit scheme equivalent to those in force in the European Union for fixed-term employment relationships. In any case, the Company ensures full compliance with the applicable regulatory framework in the DIFC, guaranteeing the adoption of all safeguards provided for by local legislation, as well as adherence to mandatory protection mechanisms. These include the post-employment benefits provided for by legislation, in line with applicable contractual and regulatory provisions.

Diversity, equity and inclusion

Diversity, equity and inclusion policies

The Group has adopted Principles on Diversity, Equity & Inclusion ("DE&I Principles") to give concrete force to its commitment to promoting and spreading, both internally and externally, an inclusive policy that values all forms of diversity. Intesa Sanpaolo Group's DE&I Principles lay out the framework of its inclusive approach to all forms of diversity, based on respect for all individuals, the enhancement of talent, meritocracy and equal opportunity. It also sets out concrete commitments for the promotion of an inclusive environment and identifies the conduct expected of all Group people. A specific section is dedicated to commitments on gender equity, with a focus on hiring processes, pool of candidates for the promotion to senior roles, appointments to management positions and in the succession plan for top management roles. The DE&I Principles stress the principle of zero tolerance of any form of discrimination and envisages a specific channel for reporting breaches. The regular monitoring of the Group's commitments is entrusted to the Diversity, Equity & Inclusion Table (the "DE&I Table")[225].

The DE&I Principles aim to build a pluralistic and respectful workplace where all forms of diversity are protected, be it in terms of gender, gender identity and/or expression, emotional and sexual orientation, marital and family status, age, ethnic origin, religious belief, political and trade union affiliation, socio-economic status, nationality, language, cultural background, physical and mental conditions or any other individual traits of a person, also in relation to the expression of opinion. This objective is pursued as an ethical duty towards all Group people and towards all stakeholders. At the same time, it is a priority for business and sustainability, as diverse ideas and skills promote innovative solutions and more effective decision-making. It also enhances

[222] For more information on the project, see the section "Actions Related to Training and Employee Development".

[223] This refers to the process adopted for the flexible planning of work activities, with the aim of using company spaces more efficiently and in a way that is consistent with the next way of working.

[224] Entity-specific metric.

[225] The Table is made up of: Chief People & Culture Officer; Chief Sustainability Officer; Head of Diversity, Equity & Inclusion; Head of People Management & Development; Human Resources Heads of the Divisions; Head of Group Reward & Performance.

the reputation of the corporate brand, improving the ability to retain, motivate and attract the best talent. Finally, it also considers the improvement suggestions from certifying bodies, international benchmarks and stakeholders in general, contributing to the identification of best practices for inclusion.

With respect to the commitment to gender equity, the DE&I Table considers and monitors compliance with the following principles, using a dedicated methodology:
- gender balance in annual hires;
- gender balance, on an annual basis, in the pool of candidates for first appointment to managerial positions;
- gender balance in the pool of candidates for senior management positions in the annual total;
- at least one candidate of the less-represented gender for each position in the pool of candidates for top management positions (chief and executive directors).

Specific commitments and affirmative actions are also envisaged to promote inclusion, such as:
- promoting the accessibility of premises, communication, information and training, including the availability of equipment/applications and considering any conditions of disability;
- guarantees in company regulations affording the same benefits for people in same-sex relationships and in mixed-sex relationships;
- fostering the value of inclusion through training, awareness-raising and the use of inclusive language;
- creating of an inclusive workplace based on trust, respect and the valuing of personal diversity;
- combating any form of discrimination or harassment;
- promoting inclusion in the local areas and socioeconomic contexts in which the company operates.

The DE&I Principles apply to all Group people in their dealings with internal and external stakeholders and to the members of the management and control corporate bodies. In relation to people working with the Group as contractors and not as employees (such as agents/freelance financial advisors, suppliers and subcontractors), they are required to respect the values and principles set out herein by acknowledging a specific policy statement addressed to them. The Group also strives to support and promote the adoption of the values and principles of diversity, equity and inclusion by customers – in particular Business & Corporate customers – within the framework of their ESG policies. To promote dissemination, the DE&I Principles have been published on the company intranet and the Group's official website, making them available to all stakeholders.

The DE&I Principles were updated ad approved by the Board of Directors in December 2024. The new version was published in early 2025 The amendments concerned the inclusion of reporting on pay gap matters to the Board of Directors and the analysis of the gender coverage of merit-based initiatives.
The Chief People & Culture Officer is tasked with identifying objectives and the strategy for achieving them and with ensuring that the effort of all Group units is adequate and consistent with the terms of the DE&I Principles. The officer also reports annually to the Board of Directors of the Parent Company and to the Risk and Sustainability Committee on outcomes delivered.

Finally, in line with the DE&I Principles, the Group is committed to stepping up engagement with stakeholders representing specific interests (such as employee resource groups – ERGs) and that present improvement proposals, with a view to openness and constructive dialogue, including the planning and roll-out of joint actions. The activities and interaction methods with the Communities, as well as a specific definition of them, are discussed in detail in the subsequent section on engagement processes.

The "Rules for Combating Sexual Harassment" outline the Group's firm commitment to preventing and combating any form of sexual harassment and ensuring full respect and maximum protection for the dignity of the individual. Under the rules, zero tolerance is shown of harassment of any kind. The objective is to create the conditions for episodes of sexual harassment to be reported, ensuring an effective and strict process for managing reports that guarantees maximum rigour and protection of confidentiality for the people involved.
The rules apply to: all employees of Intesa Sanpaolo Group in carrying on their duties both inside and outside the group; agents and freelance financial advisors/contractors in carrying out their duties with internal and external people; temping staff; people on internship/work experience programmes; and business partners of the Group in their contact with the Group for any reason. The same rules similarly apply during social events, business travel, training and occasions outside normal working hours but connected with work activities, as well as outside the workplace in cases where the sexual harassment offender and the victim both belong to the categories covered by the rules. The process for managing reports is guaranteed by the head of the Diversity, Equity & Inclusion unit.

All Group banks and companies are required to adopt the rules, adapting them as necessary to their own regulatory framework with the approval of the Parent Company's Diversity, Equity & Inclusion unit. Where the rules are more restrictive than local law, Intesa Sanpaolo nevertheless requires their application, regardless of whether conduct is prohibited or not by local law. For more information, see the DE&I Principles and the Rules for Combating Sexual Harassment, published on the institutional website of the Group.

Finally, with respect to the Italian boundary and in relation to matters concerning disability and chronic disease, an inter-functional Disability Management working group is in place, set up under the inclusion agreement signed in 2018 and in line with the Principles on Diversity, Equity and Inclusion subsequently published in 2020.
Working in synergy with the Diversity, Equity and Inclusion unit, the inter-functional Disability Management working group meets on a regular basis with the trade unions through the Welfare, Safety and Sustainable Development Committee to identify the initiatives to be undertaken.

The Workers' Benefits units is responsible for the coordination of the inter-functional Disability Management working group, which involves the active participation of around 80 people representing multiple organisational units. The objective is to unite

different professionals in supporting and promoting the contribution of all Group people and foster a climate conducive to well-being and support in company life, while expanding the welfare options available. On the one hand, individual reports are handled by identifying the reasonable adjustments set out in the UN Convention on the Rights of Persons with Disabilities. This entails making changes and adjustments to ensure that people can perform to the best of their professional ability, regardless of their health, while meeting business needs. On the other hand, work is carried out on dedicated project streams. For example, these streams focus on spreading culture, training and accessibility topics.

For further details on the impacts, risks and opportunities (IROs) covered by the policies relating to diversity, equity and inclusion, reference should be made to the IRO table set out in the paragraph "Materiality assessment" in chapter ESRS 2 – General disclosures.

Metrics on diversity by gender and age

The table below shows the age distribution of employees by number and percentage for the past two years. The figure shows the headcount of all employees in service at the end of the reporting period. The 2025 figures show percentage values in line with those of the previous year for all age groups.

Table - Number and percentage of employees by age group

Number and percentage of employees	2025	2024
Under 30 years old	6,213	6,339
Between 30 and 50 years old	43,173	45,024
Over 50 years old	41,403	42,176
% under 30 years old	6.8%	6.8%
% between 30 and 50 years old	47.6%	48.1%
% overo 50 years old	45.6%	45.1%

The Group introduced new metrics (so-called entity-specific metrics) in the 2025 Report, for which comparative data are not presented. In particular, the following tables provide a breakdown of employees by age group and gender, expressed as both the number of employees and a percentage.

Table – Distribution of employees by age group and gender (number of employees and percentage)[226]

Number and percentage of employees	2025	
	Number	%
Under 30 years old	6,213	6.8%
Men	2,675	2.9%
Women	3,538	3.9%
Between 30 and 50 years old	43,173	47.6%
Men	17,808	19.6%
Women	25,365	28.0%
Over 50 years old	41,403	45.6%
Men	20,688	22.8%
Women	20,715	22.8%

In terms of the gender distribution of employees at top management (top management) level at 31 December 2025, of the total number of 26 employees, 76.9% were male and 23.1% were female. The following table specifically shows the gender distribution of employees in top management positions, by number and percentage of total employees for the past two years. There are no differences compared to 2024.

For this purpose, top management includes the Managing Director and CEO of Intesa Sanpaolo and direct reports, the Chief Audit Officer, the Deputy Heads of the Divisions and Governance Areas (at the reporting date, the Deputy Head of the IMI Corporate & Investment Banking Division and the Deputy Chief Financial Officer), and the manager responsible for preparing the company's financial reports.

[226] Entity-specific metric.

Table - Number and percentage of employees by gender at top management level

Number and percentage of employees top management level	2025	2024
Female	6	6
% of total at top management level	23.1%	23.1%
Male	20	20
% of total at top management level	76.9%	76.9%
Other	-	-
% of total at top management level	-	-
Not disclosed	-	-
% of total at top management level	-	-
Total	26	26

Equal pay policies

Intesa Sanpaolo Group adopts gender-neutral remuneration and incentive policies, which contribute in the pursuit of equality for all employees. The policies ensure that Group people are paid equal remuneration for work of equal value, also in terms of the conditions for its awarding and payment.
In particular, the Group ensures that its remuneration and incentive systems and all decisions concerning pay are based on merit and professional skills, regardless of the gender or other form of diversity as discussed earlier, and that they uphold the principles of equity.
To enable the application of gender-neutral policies and assess their effectiveness, the Group adopts:

- systems for measuring organisational positions, taking into account the responsibilities and complexity handled by the different roles. Specifically for the management cluster, the Group has adopted a Global Banding system based on the uniform grouping of managerial positions that are similar by levels of complexity/responsibility managed, measured using the International Position Evaluation (IPE) methodology. The professional cluster is instead segmented by career title attributed on the basis of specific criteria (seniority, autonomy and complexity, as well as skills), so as to give a granular reflection of the level of professional contribution provided in one's work and the progressive specialisation of skills, or by professional group, also considering the system of roles set out in enterprise-level collective bargaining agreements;
- for the management cluster, market benchmarks are associated to each Global Band and differentiated by professional category and geographical area. For professional positions, career titles are associated to market trends differentiated by professional category and geographical area;
- incentive systems tied to objective parameters that allow merit and performance to be rewarded.

The Board of Directors of Intesa Sanpaolo, with the support of the Remuneration Committee, assesses the gender-neutrality of policies on an annual basis and measures the gender pay gap, and its change over time, using an internal methodology set in accordance with industry regulations. For the purpose, the gender pay gap has so far been measured for positions of equal value and on a country by country basis distinctly for: (i) Risk Takers, excluding members of the Board of Directors; (ii) members of the Board of Directors considering its management function; (iii) members of the Board of Directors considering its supervisory function; and (iv) all remaining personnel. The reasons for any pay gaps found are duly documented and, where necessary, corrective action is taken.

The Group's Remuneration and Incentive Policies and the related procedures for their adoption and implementation are submitted annually to the shareholders' meeting which approves them by a binding vote, upon proposal of the Board of Directors. The Board of Directors is responsible for the proper implementation of these Policies. For additional information on this topic, see the Report on Remuneration Policy and Compensation Paid, available on the institutional website of the Group.

Metrics on equal pay

The value stated below shows the gender pay gap between male and female employees, expressed as the percentage gap in average pay levels between female and male employees, as required by the ESRS standards applied for the purposes of this report.

In 2025, the pay gap amounted to 26.8% (25.8% in 2024).
The pay gap was measured on the basis of the average gross hourly pay level of Group employees, calculated considering all supplementary and variable components of the salary package, including wages and other compensation paid in cash or as benefits to employees for their work on an annualised basis, without considering their different countries, duties, organisational role or seniority level.
Variable components tied to long-term incentive systems were recognised on an accrual basis.
The measure covers all employees in service at the companies scoped into the Consolidated Sustainability Statement at 31 December 2025, with the exception of Risanamento S.p.A..
Any balances expressed in a currency other than the euro were translated into euro applying the exchange rate used by the Commission for Financial Planning and Budgeting in December 2025[227].

[227] For this metric no corrective factors were applied to remuneration paid to take into account the cost of living in the country of reference.

With respect to the gender pay gap, starting this year, the adjusted gender pay gap[228] has been measured using the same database and company scope as that used to calculate the gender pay gap under the ESRS. This calculation takes into account the pay gap between women and men, net of objective professional and organisational factors that are gender neutral. For 2025, the figure was 1.6%, estimated using a statistical regression model. This model takes into account the following factors: country of employment, job classification, seniority, and individual performance. The aim is to distinguish and neutralise the component of the pay gap that can be explained by objective, gender-neutral criteria.

The total remuneration rate of the Group for 2025 was 157.2 (135.2 in 2024). The rate is measured as the ratio of total annual remuneration of the highest-paid individual to the median annual total remuneration for all employees, excluding the highest-paid individual[229]. The highest-paid individual was the CEO of Intesa Sanpaolo Group, whose remuneration includes both a fixed component and variable components. The median was calculated using the same criteria and covering the same scope described for the gender pay gap metric. The increase in the remuneration rate is due to a set of factors linked to the rise in the CEO's fixed remuneration, which was approved by the Board of Directors in relation to the role of General Manager in 2024, and effective from 1 December 2024. Indeed, this increase led, on the one hand, to a rise in the maximum annual bonus that can be accrued and, on the other, to an increase in the value of benefits that are calculated on the basis of gross annual remuneration. To ensure consistency with the database used for the other indicators, the methodology for calculating the annual incentive system changed between 2024 and 2025. In particular, the presentation changed from a cash basis to considering the bonus accrued in the year.

Processes for engaging with own workers and their representatives

The engagement process with the own workforce is carried out under the responsibility of the head of the Diversity, Equity & Inclusion unit, through: (i) trade union representatives; (ii) constant dialogue with communities (employee resource groups or affinity groups); and (iii) surveys and listening initiatives, also at the individual level.

Inclusion is a material topic for the Group in the framework of trade union negotiations, with an Inclusion & Equal Opportunity Framework Protocol made in 2014 that was the basis for a specific agreement and which is an integral part of the Group's Second-Level Collective Agreement. As regards sexual orientation and gender identity, specific company policies were introduced back in 2014 to define the framework for the extension of company benefits to same-sex unions. Alongside the promotion of the specific inter-functional working group for the needs connected to disability and disease, the Inclusion Agreement envisages the roll-out of experimental projects, with the support of the Welfare, Safety and Sustainable Development Committee, aimed, inter alia, at promoting the employability of people with autistic spectrum disorders. These projects are partly funded by the Arrotonda Solidale ("Round-down Solidarity") initiative, which involves the contribution, on a voluntary basis among all the Group's people, of the residual amount collected from rounding down net monthly salaries to the nearest euro. In turn, the Company contributes the remaining cents to make a total of one euro for each Group person taking part in the initiative. In addition, as set out in the section "Job protection and labour relations", within the Italian scope, the Group continuously promotes dialogue with the trade unions and discussion on the Group's initiatives aimed at identifying shared solutions to address the different needs brought to their attention.

ERG communities are bodies that by their nature represent the interests and perspectives of affinity groups. Examples include ISPROUD, the Intesa Sanpaolo LGBTQ+ and Allies community, and "ARTICOLO19 – Disability & Citizenship", which aims to support people with disabilities and their families. "ARTICOLO19 – Disability & Citizenship" aims to accompany and guide people through the content of the disability reform (Law no. 227/2021) for the full implementation in Italy of the Principles of the UN Convention on the Rights of Persons with Disabilities. In addition, it organises meetings and personal and group exchanges on crucial topics such as, for example, combating ableism, preventing institutionalisation, autism and neurodivergences and job placements, engaging from time to time also with the relevant departments and Governance Areas, in agreement and in close synergy with the reference DE&I and Workers' Benefit - Disability Management units. Diversity and inclusion are promoted through internal and external communication channels, with information provided on the company Intranet for accessing available services and opportunities. The DE&I and Workers' Benefit units are at the disposal of ERG communities to listen to their concerns and, when matters of specific interest to a community are addressed, engagement is arranged before any initiative is pursued.

Finally, surveys are conducted every two years through questions added to the Climate Analysis and other surveys, with no set frequency, on topics specifically linked to DE&I issues. In 2024, a questionnaire was administered to survey "Stereotypes, harassment and gender violence – What do you think?" and, in 2025, the results were analysed to assess any actions and initiatives to be implemented. Additional specific listening initiatives are promoted with the company population, such as specific post-event surveys. Other questionnaires instead survey people belonging to a specific area or division on relevant topics or areas of action, and to steer targeted projects. Group people can instead request contact or send in suggestions by e-mail to the DE&I unit.
The various engagement initiatives provide the input for reports on the response and appreciation rates of specific initiatives, projects or events. The overall results are anonymous and help to inform future initiatives, in which trade union representatives or community members may be involved.

Remediation processes for employees and their representatives and reporting channels

Two types of channels (the Code of Ethics inbox and the whistleblowing system) are available to Group people to report needs/concerns/alleged breaches of their rights, facilitating the Group in remedying the negative impacts they may suffer. For further information on the Code of Ethics reporting channel and the whistleblowing procedure, see, respectively, the sections "Policies, targets and actions related to business conduct" and "Whistleblowing policies, targets and actions" in the ESRS G1 – Business Conduct chapter.

[228] Entity-specific metric.

[229] For this metric no corrective factors were applied to remuneration paid to take into account the cost of living in the country of reference.

In addition, the DE&I unit provides an inbox to which people can write to express their needs or concerns on matters of competence. The inbox is monitored by a member of the unit and replies are given to all requests or messages received, also with the involvement of any other competent functions in relation to the matter raised.

In addition, the "Rules for Combating Sexual Harassment" provide for a specific reporting channel for the matter, setting out the roles of all the organisational units involved. Working tables to address reports of sexual harassment are activated by the DE&I unit, in its capacity as guarantor of the process. Working tables bring together various functions, which work together to guarantee that reports of sexual harassment are handled appropriately, confidentially and in accordance with company policies, ensuring victims receive all the support they need and that corrective measures are adopted. The areas and professional roles involved are: Diversity, Equity & Inclusion; Human Resources Management; Audit; Legal Affairs – Group General Counsel; Health & Safety.
Reports are duly investigated and, where sexual harassment or any breach of other Bank regulations is found, the resulting disciplinary action is decided by the competent Labour Proceedings function. Depending on the specific situation, additional remedial measures may be defined to protect those involved in an incident of sexual harassment. A psychological counselling and legal advisory service is always available to people involved in a sexual harassment case, even where the harassment took place outside the workplace (in the private sphere, for instance). For further information of a quantitative nature on such cases, see the section "Metrics on human rights in the workforce".
Specific reporting channels are envisaged in the DE&I policies and in the Rules for combating sexual harassment (for example, the "segnalazioni_molestie@intesasanpaolo.com" email inbox is active for sexual harassment). Group people are also made aware of the reporting channel for sexual harassment through an annual mandatory training course on the topic. The aim of this course is to raise awareness among all participants of what constitutes harassment and its consequences. In 2025, around 66 thousand people participated in this training.

Information on the number of times a working table is activated during the year for the management of sexual harassment reports and on the outcomes of the relative investigations are recorded in a special register. Under the Rules for Combating Sexual Harassment, the effectiveness of the reporting channel is ensured via the constant monitoring of the e-mail inbox and by confirmation of receipt of reports, which is communicated to the person making the report within one working day from receipt.

The rules are published on the company Intranet and all Group people, in accordance with the Group's Internal Code of Conduct, are required to acknowledge them, contacting the competent units if they have any doubts as to their interpretation. Furthermore, reporting sexual harassment is the topic of a specific survey which looks at various aspects, including trust in the channel used. The questionnaires reiterated the commitment to respecting and protecting the victim and/or person making the report; in fact, both for reports concerning breaches of the Principles on Diversity, Equity and Inclusion and reports of sexual harassment, measures are in place to protect people from any retaliatory action.

In relation to disability-related matters, Group people can turn for help to their Human Resources Management office, as their first contact for this matter. A dedicated inbox is provided for the purpose (disability.management@intesasanpaolo.com), with a specific section on the Intranet. Disability issues are regularly discussed with trade unions within the framework of the Welfare, Safety and Sustainable Development Committee.

The work of the inter-functional Disability Management working group in practice involves the management of individual reports, as well as a range of other activities, such as the governance of IT accessibility matters, the delivery of dedicated training to all Human Resources Management offices, managers in charge of people with sensory disabilities and top management, and awareness-raising cultural initiatives engaging all Group people.

Diversity, equity and inclusion targets

The 2022–2025 Business Plan, which ended on 31 December, required a gender balance (approx. 50% male and 50% female) in new appointments to senior management positions (first and second-level reports to the CEO). The progress towards achieving this target was monitored by the Diversity, Equity & Inclusion Table on a quarterly basis. The setting and monitoring of the target and measurement of progress did not involve engagement with the workforce or trade union representatives.

Appointments are considered "to senior positions" when they:
- open "access" to first or second-level reporting positions to people in lower levels of the organisational ladder or who are external to the Group;
- promote people from second-level to first-level positions reporting to the Managing Director and CEO.

Where a person is appointed to more than one senior position, each appointment is considered separately. For the purposes of the target set, "horizontal appointments", which do not involve a step up in the organisational ladder, are not considered, both where a person changes role and where a person is assigned a new role in addition to their existing area of responsibility. In the case of transition periods, where a person temporarily steps down from a senior position (first or second-level report) but will later return to their level (for example, pending the creation of new positions that have been planned), such appointments are not considered if the person "steps back up" the same level previously held. Such appointments are treated as being equivalent to "horizontal appointments" and the step down/step up of the person to a senior position is considered purely a temporary measure for the creation or preparation of the new organisational role. Appointments that instead lead a person to step up the organisational ladder to a higher position than the previously held are considered. Only the organisational levels effectively included in the organisational chart are considered.

On the basis of the organisational structure in place at 31 December 2025, over the Plan period, 26 appointments were male (49%) and 27 appointments were female (51%)[230]. This contributed to achieving a 29.4%[231] female presence in senior leadership (organisational levels -1 and -2 below the CEO).

Diversity, equity and inclusion actions

The Group implements the DE&I Principles by promoting equal opportunities and enhancing diversity as a strategic lever for growth and innovation through initiatives and actions. Through dedicated programmes and concrete actions, it is committed to supporting the attraction and development of talent, fostering a sense of trust and belonging and ensuring an inclusive work environment that prioritises people's well-being.

DE&I actions and initiatives cover all Group people, with each initiative targeted at specific clusters. Some initiatives are also run outside the Group, reaching out to groups such high school pupils and university students. While some actions are stand-alone events (such as awareness-raising or training sessions), others are organised on a repeat basis to cover the entire cluster targeted, lasting several months or more than one year.

During 2025, the DE&I unit continued its work promoting an inclusive work environment, capable of welcoming and giving value to all forms of diversity. The Group's inclusion strategy forms the groundwork for effectively governing the coordination of initiatives and is backed by the ongoing measurement and assessment of outcomes delivered. The DE&I Working Group, made up of representatives from each division, governance area and other key units involved in the planning and roll-out of initiatives, continued its alignment, coordination and discussion work, enabling continuous exchange between the DE&I unit and all Group entities.

With the ongoing support of the International Banks Division (IBD), discussions about DE&I topics with the division's banks, which were launched in 2024, continued in 2025. In 2025, the DE&I Working Group was opened up to include IBD banks, with the aim of fostering a more participatory and shared dialogue on topics related to inclusion. In particular, discussions on disability-related topics continued, with the aim of establishing a shared approach to initiatives. Following the extension of inclusive leadership training to all managers across the Group, the second training module on inclusive leadership, focusing on disability and mental health, was rolled out to the IBD banks. This module has already been completed by the managerial population in the Italian boundary (approximately 6,500 managers). To this end, a pilot project involving representatives from the banks' Human Resources, CSR and Training functions was launched in 2025, with the aim of extending it to all people in management roles by 2026. Another shared initiative focuses on inclusive communication. To this end, an inter-functional working group, which represented the entire Group, was set up to develop a manifesto of shared principles regarding language and behaviour that respect diversity.

Throughout the year, the DE&I Table continued its work, focusing on monitoring compliance with the commitments set out in the DE&I Principles, particularly with respect to gender equality, and promoting the value of the inclusion-related initiatives and projects implemented within the various units.

The "Parole di tutto rispetto" project, dedicated to inclusive and accessible communication, continued throughout the year and resulted in the production of an internal document to support Group employees in using inclusive language that respects all dimensions of diversity, by suggesting good practices to adopt. The project also includes initiatives to raise awareness and provide Group employees with training, with the aim of emphasising the importance of choice of words. Some of these initiatives involved the Executive Director of the CDAITO Governance Area[232], people in the IMI CIB Division acting as lecturers outside the Group and the Chief Compliance, Audit and Financial Officer Governance Areas.

To enrich the cultural offering on topics such as inclusion, discrimination and gender-based violence, and to stimulate reflection on the construction of equitable scenarios, numerous awareness-raising initiatives were implemented, leveraging the language of art, such as photography, and offering experiences at the Gallerie d'Italia museum venues. In addition, the Group joined PARI, an association of companies that are united in their commitment to fighting gender-based violence. Participation in PARI gives the entire company population or specific target groups access to a wide range of in-depth topic content.

Intesa Sanpaolo's second "Inclusion Week" was held in September to promote thinking and raise awareness of the value of diversity. The five days of the initiative each covered a different macro-theme, with five on-line events featuring Group people and guests from the world of culture as speakers.

To promote female talent and encourage the creation of fair and inclusive working environments, initiatives for the development of female professionals and managers continued, including initiatives which involve job rotation, shadowing, training and empowerment programmes.
The group coaching programme continued for women taking up a role of responsibility for the first time, with a view to improving inclusive leadership skills.

The programme for the Group's long-term absentees also continued, involving more than 500 long-term absentees in a voluntary orientation programme, with the aim of establishing a close relationship with the employees during their absence and promoting their successful return to work. The programme was digitalised in the first quarter of 2025 to facilitate the various phases of the process and increase its effectiveness.

[230] Entity-specific metric.
[231] Entity-specific metric.
[232] Chief Data, A.I., Innovation and Technology Officer Governance Area.

Parenting support initiatives in place targeted both mums and dads. Training to promote awareness of the parenting and professional roles continued alongside the delivery of the "Padri non mammi" programme, which involved dads from certain Governance Areas[233] and the IMI CIB Division in reflecting on gender stereotypes linked to parenting.

On the topic of sexual orientation and gender identity, Intesa Sanpaolo continued its partnership with Parks – Liberi e Uguali, running joint communication and awareness-raising campaigns to encourage the full inclusion of LGBTQ+ people. In 2025, these events were primarily aimed at individuals in the role of director or coordinator of the Banca dei Territori (BdT) Division. To date, approximately 20,000 people from the Governance Areas have participated. Business divisions and Human Resources population. Furthermore, efforts continued to ensure support, within the Group, to people desiring assistance in the workplace during their gender affirmation process.

The year witnessed the continuing growth of ISPROUD, the LGBTQ+ people and allies community, established spontaneously in 2021. In 2025, the community grew to more than 1,900 members in Italy and abroad, who meet periodically to discuss and share ideas and experiences to be translated into tangible project ideas to propose to the company. ISPROUD worked with the DE&I unit and with the rest of the Group on a number of initiatives, providing its contribution for the planning of internal and external content, the organisation of events and the launch of new projects.

The value of inclusion was the subject of various training contents designed and proposed during the year, which were customised and aimed at different Group populations. Since 2024, inter-cultural training initiatives have been launched, focused specifically on the effectiveness and importance of inclusive and respectful communication between cultures. An informational webinar on disability and mental health was held, which was open to all Group employees in Italy. Accessibility and innovation initiatives were also launched for people in leadership roles, with the aim of sharing useful information and skills for expressing a leadership style that values accessibility. In addition, training initiatives dedicated to cognitive bias were launched for people with coordination roles. These initiatives, which were delivered to 350 participants in 2025, aimed to raise awareness of personal beliefs and internal narratives that can generate micro-exclusions, which are often invisible and affect the full development of individual and collective potential.

Finally, in 2025, the Group confirmed a series of training initiatives to foster inter-generational dialogue and promote constructive cooperation between people of different ages in work teams. In particular, BdT implemented an initiative dedicated to inter-generational dialogue. This initiative engaged 643 people (347 over 60 and 296 under 30) from all the Regional Governance Centres. The key aim was to foster a culture of open, collaborative discussion between generations, enhance understanding of differences and stimulate mutual understanding of contemporary challenges. The initiative offers tools and space for reflecting on the relationship between people and work, with particular attention to role stability, the relationship with technology, socialisation models, judgement heuristics and the main cognitive biases that influence the perception of others. It is structured around the topics of digital transformation, artificial intelligence and one health. The initiative offered a tangible opportunity to foster inter-generational dialogue, encouraging trust, active listening and reciprocity. It enabled the gathering of experiences and points of view that are useful for building more aware and inclusive relationships, capable of addressing today's transformations with collective intelligence.

In addition to the mandatory annual training course on the application of the relevant rules, a course on understanding, recognising and preventing gender-based violence and sexual harassment was delivered in 2025. This course explored sexual harassment within the broader framework of gender-based violence.

The UNI PDR 125:2022 Gender Equality Certification, introduced by the National Recovery and Resilience Plan (NRRP)[234], was renewed in 2025. Specifically, the audit verifies compliance with 31 qualitative and quantitative KPIs, as well as the implementation of a gender equality management system in Italy.

Intesa Sanpaolo is among the 100 most inclusive and diversity-conscious workplaces according to the 2025 FTSE Diversity & Inclusion Index. The index analyses over 16,500 publicly traded companies worldwide, assessing them based on 24 metrics across four pillars: gender diversity, inclusion, people development and disputes.
Intesa Sanpaolo is included in the Equileap Top Ranking 2025 among the top 100 companies in the world for gender equality. Equileap is an organisation specialising in the assessment and ranking of 6,000 companies worldwide on the topics of equality and diversity and is now recognised as a leading company in the provision of data and information on social equity.

Actions for the inclusion of people with disabilities
Thanks also to a productive dialogue with the trade unions and other units of the Bank, the Group is implementing a series of initiatives aimed at facilitating the recruitment of disabled people and those who are neurodivergent.
In particular, recruitment of people on the autism spectrum was carried out through a process involving all affected stakeholders and work teams. Before people joined the team, an activity was set up to raise awareness and develop specific skills relating to autism. The experience gained has encouraged the adoption of more open and diverse approaches in both work groups and management, promoting a professional environment that is open to listening, valuing differences and fostering collective growth.

Specifically, the inter-functional Disability Management working group handles and assesses individual requests for arrangement measures with the utmost care. The process includes the adjustments and arrangements, when necessary, to guarantee that people with disabilities enjoy and exercise all their human rights and fundamental freedoms on par with others.

[233] Chief Cost Management Officer, Chief Financial Officer, Chief Risk Officer, Chief Sustainability Officer.

[234] The certification was renewed for 9 companies (Intesa Sanpaolo S.p.A., Fideuram - Intesa Sanpaolo Private Banking SpA, Intesa Sanpaolo Private Banking SpA, Società Italiana di Revisione e Fiduciaria S.p.A., Eurizon Capital SGR SpA, Intesa Sanpaolo Assicurazioni SpA, Intesa Sanpaolo Protezione S.p.A, Fideuram Vita SpA and Prestitalia S.p.A.).

The inter-functional working group works on projects in a number of areas, including accessibility, communication, development of an inclusive culture, training and joint projects directly involving Intesa Sanpaolo people.

Together with trade union representatives, the inter-functional working group took part in the advanced training course "Disability Managers and the Working World", organised by the Università Cattolica del Sacro Cuore in Milan to lay the groundwork for adopting a common language, an important work tool.

As part of the general initiatives dedicated to people with disabilities, the project to place people with Down's syndrome in branches across Italy, in cooperation with the Banca dei Territori Division, is ongoing.
Similarly to autism, the aim of this inclusion path is to enhance the uniqueness of the individual and increase awareness across the entire team they joined. Cross-cutting investments were made in developing an inclusive organisational culture.

In 2025, "ARTICOLO 19 – Disability & Citizenship" affirmed its identity as an affinity group championing disability issues. What started out as a small group of people has progressively grown (to date, there are approximately 900 members), with the objective of developing ideas and content to improve the lives of people with disabilities and their families, and the prospect of providing an additional contribution to disability and inclusion issues.

Among the many initiatives, 2025 saw the implementation of the winning project from the internal "#RealizzAbile" competition. This competition was created to collect ideas from Group employees for improving the work environment for people with disabilities within the Group. The projects were assessed based on three criteria: the ability to respond to an unmet or partially met need regarding disability, creativity, and innovation. The winning project, #QuasiRoberto, involved several actions. Following the training for Facility Management and Human Resources managers delivered last year, experiential events have been rolled out in branches since 2025, with the aim of reaching all Group departments over time. Around 500 people have experienced moving around in a wheelchair either first-hand or by observation.
Aware that projects showing how putting yourself in someone else's shoes facilitates understanding and inclusion are valuable, the "Visite d'altri sensi" project continued throughout the year. In this project, people with visual impairments acted as sensory museum guides, and around 150 people from the Group took part in the visits. The aim is to unlock an appreciation of art from a different perspective and, above all, foster empathy by putting oneself in another person's shoes. "Invisible Illnesses" is another important initiative which includes a series of webinars open to all Group employees that address different conditions, also with significant contributions from internal testimonials. Reference materials and dedicated services are available on the company intranet.

In addition, since 2018, Intesa Sanpaolo has been a certified Dyslexia-friendly company, confirming its commitment to raising awareness of specific learning disorders (SLDs). This commitment is given practical expression through the delivery of specific webinars targeted at all Group people and the availability on the Intranet of guides, video clips, infographics and a self-assessment questionnaire for parents and families, all exploring the many different aspects of dyslexia and helpful for living with the disorder, making a positive impact on well-being and quality of life in all contexts.

Metrics relating to the inclusion of people with disabilities[235]

The Group introduced new metrics (so-called entity-specific metrics) in the 2025 Report, for which comparative data are not presented. The indicator shown below refers to the percentage of Group people with disabilities.

For the purposes of calculating the indicator, with reference to the Italian boundary, only people with disabilities included in the annual report of persons with disabilities at 31 December 2025, drawn up pursuant to Law No. 68/99[236], are considered. The overall group figure, shown in the following table, is determined by including employees of foreign companies within the reporting boundary. This is based on information already collected in accordance with the applicable national legislation and definitions in the respective countries.

Table – Employees with disabilities

	2025
Percentage of employees with disabilities	4.7%

[235] Entity-specific metric.

[236] "Regulations for the Right to Work of People with Disabilities," which promote the employment inclusion of people with disabilities.

Training and development

Policies relating to the training and development of Group people

Training and communication are two fundamental levers for the involvement of all the Group's people in a process of continuous growth and enhancement with the aim of guaranteeing the best professional experience. In line with the 2022-2025 Business Plan, the Intesa Sanpaolo Group continues to invest in its people, creating a unique ecosystem of skills that is suited to both the current context and its future evolution.
During 2025, a new Group training strategy has been defined which, inspired by the principles established in the trade union agreement of 4 December 2024, has led to the creation of the Corporate Academy with a primary focus on transformative learning. The aforesaid agreement, which Intesa Sanpaolo entered into with all the trade unions, was aimed at strengthening the role of training as a pillar of the bank of the future and a priority tool to ensure engagement and the responsibility pact with the Group's people in order to increase their satisfaction, promoting the development of skills, employability and professional growth.

Building on these premises as well, the Group Academy has been structured and is governed by three Committees involving all Divisions and the Group's Governance Areas. Specifically:
- Academy Committee: oversees the design of the top-down training strategy in line with the Group's priorities;
- Scientific Committee (one for each Faculty): defines and updates the core training content and monitors the success of the initiatives;
- Technical Committee (one for each training programme): contributes by identifying potential experts/trainers to support the delivery of the training.

The Academy, which focuses on topics that are relevant, strategic, and cross-functional for the Group, has been structured for 2025 into eight Faculties, within which training programmes are developed in alignment with the evolving roles and skills:
- Managerial Culture: aimed at developing Group-wide training on leadership topics;
- AI and Data: aimed at developing strategic and technical skills in AI and data management in order to accelerate digital transformation;
- Network Development: aimed at accelerating the evolution of the banking network through relevant and specialised business skills;
- Wealth: aimed at developing skills in wealth management, with a focus on personalised advisory services and digital tools;
- Risk Culture: dedicated to strengthening risk culture and promoting greater individual awareness, fostering compliance with internal and external regulations in order to increase customer trust and contain corporate risks;
- Trainers' Development Path: aimed at developing the Group's internal trainers by enhancing both their transversal and specialised skills in the design and delivery of training programmes;
- ESG: aimed at developing cross-functional and specialised content in the field of sustainability, focusing on the three pillars (Environmental, Social, and Governance) from the perspective of the financial sector;
- Internationalisation: aimed at supporting the acceleration of the internationalisation process undertaken by the Group.

With reference to the Faculties launched during 2025, the number of participants enrolled is as follows: Managerial Culture (1,755 participants), AI and Data (42,905 participants), Network Development (7,790 participants), Wealth (190 participants), Risk Culture (2,373 participants), and Trainers' Development Path (28 participants); for a total of 55,041 participants.

For details regarding any impacts, risks, and opportunities (IROs) covered by the policies related to the Group's training and people development, please refer to the IRO table included in the "Materiality Analysis" section of the ESRS 2 – General disclosures chapter. Specifically, the management of relevant impacts and opportunities is ensured through the preparation of the Parent Company's training plan, which provides for differentiated training initiatives based on role, areas of responsibility, and associated accountabilities. The plan is implemented in a way that supports diversity and inclusion and prevents any form of discrimination against specific categories of employees. In this regard, it is noted that employees who do not meet the technical conditions for participation in the courses according to the methods defined above (for example, visually impaired persons) are subject to specific provisions which determine the methods and timeframes for the completion of the mandatory courses intended for them.

The training plan is defined annually, implemented and monitored through the involvement of the competent corporate structures. It illustrates the training provisions planned for the Parent Company and specifies which ones will also be extended to the Subsidiaries.

The training plan is broken down into three types:
- transformative learning: focuses on strategic, high-priority, and innovative topics for the Group. The transformative training plan, aligned with the need to renew professional skills, focuses on reskilling and upskilling employees toward the roles and skills of the future.
- The target audience for transformative training is jointly identified by the Chief People & Culture Officer Governance Area and the relevant Group structures involved from time to time, together with the respective Human Resources functions;
- mandatory training: in the belief that the constant updating and training of its people represent an important distinctive factor and increase its overall added value, the Group is committed to further strengthening its control over mandatory training, thus also responding to the requests of the Supervisory Authorities. Mandatory training is enabling, as it ensures adequate knowledge of the applicable regulations, related obligations and responsibilities, as well as the consequences arising from failure to comply with such obligations;
- job-specific training: focuses on the specific training needs of each professional role, based on the requirements identified internally by the business structures and not covered by transformative training initiatives.

Within the Group's guidelines, the People Attraction, Skills & Learning Strategy structure, through the oversight of training activities, contributes to compliance with all regulations regarding anti-money laundering, counter-terrorist financing, embargoes, antitrust, fairness in customer relations, and integrity in the management of tax issues. Training also contributes to combating corruption, applying the “zero tolerance” principle and promoting corporate behaviour based on the utmost consistency and transparency, and preventing, where possible, potential situations of conflict of interest.
With reference to mandatory training, knowledge of the published training obligations which the employee has signed up to is acquired through periodic access to the company's training platforms. Each employee is required to access the corporate platforms to review their assigned training obligations and, in support, receives periodic summary communications regarding any courses still to be completed and their respective deadlines.
The criteria for the participation in mandatory training are detailed in the Group's specific internal regulations according to which all Group employees with subordinate employment contracts are required to attend such training sessions in order to guarantee the correct performance of the tasks and duties of the recipients, ensuring knowledge of the regulations and company processes. Furthermore, training is also under the scrutiny of the Supervisory Authorities, which, in certain circumstances, can adopt disciplinary measures. The internal regulations are applied at Group level; to this end, all the Governance functions involved work, each within their respective areas of competence, to ensure a standardised application of the methodology at Group level.

The initiatives included in the mandatory training plan may arise from:
- external or internal regulatory requirements;
- specific requests from the Supervisory Authorities;
- topics recognised as being of particular relevance to the Group (for example, business impact).

The initiatives take into account the employee’s duties, role, or specific assignments and are subject to approval by the Training Coordination Committee. The training plan, in its mandatory component, promotes the dissemination of a shared foundation of knowledge related to Risk Culture, ensuring alignment between the strategic vision and its practical application, in line with the Group’s needs.

The Coordination Committee is a collegiate body established at the Parent Company that reviews the overall training plan, approving its mandatory training component. The composition, responsibilities, and operating rules of the Committee are governed by a specific internal Group regulation. Its permanent members include the Chief People & Culture Officer Governance Area, the Chief Compliance Officer Governance Area, and the Chief Risk Officer Governance Area.

Mandatory training for Chiefs, Heads of Division, and Executive Directors is delivered through “compliance talks,” programmes designed to provide in-depth insight into strategic and innovative topics, with content aligned to the responsibilities and areas of action of these roles.

With reference to job-specific training, the identification of training needs is carried out in coordination with the Human Resources functions in order to analyse all the elements necessary for a thorough assessment of the collected training requirements, define the feasibility of the training initiative, and identify potential cross-functional groupings based on the following elements:
- priority (relevance/urgency of the need), critical mass (number of participants), scalability (cross-functional nature of the need with opportunities for synergy with other structures), and frequency (recurrence of the need over time);
- the content and learning objectives of the initiatives.

Mandatory and job-specific training needs are identified annually by the business structures. Specifically, the Chief People & Culture Officer Governance Area, with the support of the competent human resources functions, starts collecting training requirements from the corporate structures, which identify them based on:
- specific job requirements;
- legal provisions relating to issues that require mandatory training initiatives and/or those enabling the provision of services and the marketing of products;
- topics of particular relevance to the Group, including changes in business models and operating processes;
- findings and/or reports from the Supervisory Authorities, which require dedicated training provisions.

During the year, a periodic review of the training needs identified by the business structures is carried out in order to incorporate any changes and additions. The “Transformative Training Plan,” on the other hand, is defined and periodically updated by the Chief People & Culture Officer, who, from time to time, draws on the contribution of the relevant business structures.

Moreover, the training plan places significant emphasis on topics that cut across all three ESG dimensions. In line with its commitments to the ecological transition, the fight against climate change and the protection of nature and biodiversity, the Group is committed to spreading ESG values, promoting the involvement of all its people in the implementation of responsible environmental practices. Specific courses are mandatory for personnel directly involved in the implementation of the environmental and energy management system, but are also available to all employees. Great attention is also paid to social issues, with particular reference to diversity, equity and inclusion, the fight against sexual harassment, and human rights.

Processes for engaging with own workers and their representatives

All activities related to needs analysis, training design, and the identification of the delivery model for training initiatives are overseen by the People Attraction, Skills & Learning Strategy structure, which reports to the Chief People & Culture Officer Governance Area. In the phases that require it, support from a dedicated outsourcer is provided, along with the involvement of the relevant Group structures.
The process develops through the following phases:

- collection of training requirements;
- analysis and development of training requirements;
- coordination of the implementation of training initiatives;
- monitoring activities.

Collection of training needs is carried out in conjunction with the human resources functions to identify the professional, mandatory and managerial training needs identified by the Governance Areas/Divisions, within the scope of annual and periodic planning activities and in compliance with sustainability criteria (both economic and organisational). The collected needs are then evaluated by the Learning Business Partner function, in conjunction with the human resources structures, to define the feasibility of the training initiative and the possible cross-cutting aggregations, giving special priority to the implementation of mandatory initiatives.

Once the training needs have been collected from each structure contact, the Chief People & Culture Officer Governance Area defines, with the support of the dedicated supplier, the method of delivery of the training provisions, distinguishing between in-person or remote initiatives based on the chosen channel.

The activities described are also included among the funding opportunities planned for the development of continuous professional training and for upskilling and reskilling activities for professional profiles of specific interest.
In this context, the training plan is shared with the Welfare, Safety and Sustainable Development Committee/Joint Training Body (COWESS), a bilateral body composed of company and union representatives, provided for by the current Group Labour Relations Protocol and in line with the provisions laid down by the National Collective Bargaining Agreement. COWESS is tasked with studying, analysing and researching training matters, including the examination of material relating to financing projects promoted by entities operating in the vocational training sector.

Moreover, as described in the previous section, in 2024 Intesa Sanpaolo signed an agreement with all Trade Union Organisations aimed at strengthening the role of training as a pillar of the bank of the future.

Group employees can use various channels to raise any concerns, needs, or reports related to "Training & Skill Development". In particular, in addition to regular discussions with their Manager or the relevant Human Resources function, employees may, in the event of violations of the Code of Ethics, submit reports to a dedicated e-mail address. Lastly, with regard to the effectiveness of training paths in terms of the relevance of content to professional needs and the applicability of what has been learned in daily operations, a pilot has been launched within the new Corporate Academy on the Lead4ward programme. The initiative is aimed at measuring satisfaction through an anonymous questionnaire addressed to the managers of the Professionals attending the course. Activated starting from April 2025, the pilot is designed to gather insights that will also be useful for other training programmes. The results show that colleagues are overall satisfied with the service received.

Targets and metrics relating to the development of the Group's people and talent management[237]

The Intesa Sanpaolo Group pursues the objective of providing its employees with growth paths based on training intended as a driver for the development of the talents present within the Group, as well as the ability to attract people from the outside. Consequently, it has set itself qualitative and quantitative objectives linked both to the provision of hours of cross-disciplinary training to all its people and to specific learning and collaboration methods.

In order to adopt a consistent model for the development and enhancement of the Group's professional contribution, groups of people with homogeneous skills, learning paths and qualifications have been identified. These groups, referred to as job communities, are formed according to two different approaches:

- by profession, "natural communities," which include professional profiles with a homogeneous title and role (for example, HR, Global Advisor, Digital Business Partner, etc.);
- by interest, which include those who, regardless of skills and titles, are driven by a specific or project-related interest in strategic themes for the Group (for example, AI, Data, Art and Culture, etc.).

The communities bring together people from the Group's Italian perimeter and, in 2025, International Branches were involved as the first phase of international expansion.
Under the 2022–2025 Business Plan, a target was set for job communities to reach a total of 20,000 users involved by December 2025 — a goal that has been widely achieved.

Target: Number of people in "job communities"[238]

	Date	Value
Baseline[239]	31.12.2021	-
Final number	31.12.2024	36,775
Final number	31.12.2025	43,126
Target	2025	20,000

[237] The information relating to the "Leader of the Future" Programme indicator provided in this paragraph is also reported in the section "2025 in brief" – paragraph "The 2022–2025 Business Plan and the new 2026–2029 Plan" of the Report on Operations of the Consolidated Financial Statements.
[238] Entity-specific metric.
[239] Plan target that represents the planning of a new activity that does not have a base Value.

Intermediate annual milestones were also set along the same time horizon, and were always achieved and exceeded. The target was monitored on a quarterly basis through an indicator defined by the following components:
- number of people with homogeneous titles and Professions;
- number of people in Profession job communities without titles and therefore gathered with respect to the same professional profile;
- number of people in interest job communities.

The target was defined by the competent functions within the Chief People & Culture Officer Governance Area.

Against the target of involving 20,000 people in job communities over the 2022–2025 Plan period — already exceeded as at 31 December 2024 with 36,775 users involved — the number of participants further increased as at 31 December 2025, reaching 43,126 users, of whom 22,263 have homogeneous titles and Professions.

The Talent Management strategy also includes the "Leader of the Future" programme, aimed at all Intesa Sanpaolo Group people, both in Italy and abroad, and which is also one of the objectives set out in the 2022-2025 Business Plan.

The programme consists of two project initiatives:
- International Talent Programme: it is one of the most important initiatives for the enhancement of talents at Group level, which aims to develop a new generation of managers and professional roles with a cross-cutting and international culture through personalised paths with an indicative duration of three years. A mentorship and tutorship programme is dedicated to the talents, which involves the Senior Managers and the Heads of the structures to which those same talents belong;
- Key People: it is the second pillar of the Group's innovative talent strategy, which aims to identify and develop the Leaders of the Future. It represents a path of excellence mainly dedicated to members of the Group's middle management, with the aim of enhancing professional and managerial growth, as well as guiding them towards future leadership roles in more complex managerial contexts.

The key objectives of the "Leaders of the Future" programme are:
- human capital enhancement: recognising and promoting existing talents within the organisation, encouraging their professional growth and development;
- strategic management of internal professional growth: ensuring that the Group has constant access to the best resources, thus reducing the need for external recruiting to fill critical roles;
- generational renewal: ensuring the constant rejuvenation of the talent pool, enabling the Group to maintain a balance between experience and new perspectives.

The expected results of the "Leaders of the Future" programme are:
- continuity and stability: establishing a talent pipeline ready to transition into key roles, ensuring business continuity and organisational stability;
- competitiveness: increasing the Group's competitiveness through the acquisition and retention of high-level skills;
- organisational culture: strengthening a corporate culture focused on excellence, innovation, and continuous growth.

Over the course of the 2022–2025 Business Plan, a target of approximately 1,000 talents involved in the "Leader of the Future" programme was set, selected both in Italy and abroad.
The indicator includes the people involved in the two programmes: "International Talent Program" and "Key People". The former considers the people belonging to the talent community at the reporting date, and includes both talents who are undergoing the development path and those who have completed it. As regards the "Key People" programme, the population was defined ex ante for the entire 2022–2025 Business Plan and is therefore stable.

As already indicated, the 2022–2025 Business Plan, with specific reference to the "Leader of the Future" Programme, envisaged the involvement of approximately 1,000 people in talent management and development activities. This milestone was achieved as at 31 December 2025, with the involvement of 1,054 people who took part in the "Talent Program" and "Key People" programmes; of these, 986[240] have completed or are still continuing their development path within the Group[241].

Actions relating to the training and development of Group people

Training activities at Group level and across departments
Training activities are delivered on an ongoing basis to all Group employees (including part-time staff), through the intervention of the Chief People & Culture Officer Governance Area, which, among its responsibilities, also has the task of:
- promoting the dissemination of a Group culture that supports change and contributes to creating an inclusive and high-quality working environment for all people;
- defining training proposals and implementing the relevant training programmes to enable the continuous updating of skills, fulfilment of regulatory obligations and professional retraining, in line with the company's needs and strategies, individual motivation and enhancement of all Group people;
- overseeing the Group Corporate Academy, dedicated to the design and delivery of high-quality training content, giving priority to strategic and innovative topics for the Group (transformative training) and steering its implementation;
- preparing the training plan by coordinating the collection of training needs, supporting the Training Coordination Committee in the analysis and approval of the mandatory component, and ensuring its monitoring.

[240] Entity-specific metric.

[241] It should be noted that the difference between the two figures is attributable to natural employee turnover.

All training, including mandatory training, is carried out on an ongoing basis with the support of a dedicated supplier in order to guarantee high quality standards and constantly updated content based on the Group's specific needs. The collaboration between Intesa Sanpaolo and Digit'Ed S.p.A. (Intesa Sanpaolo's partner in the implementation of training initiatives), a company established in 2022 following the transfer of the training business line, continued throughout 2025. Digit'Ed, leveraging Intesa Sanpaolo's innovative learning infrastructures, was able to position itself on the market as an aggregator of the best Italian operators in the sector.

The main channel for the provision of training, especially mandatory training, is the digital one which enables:
- to quickly make training content and any subsequent updates available to very large audiences;
- to access training content at any time from the company's corporate platforms and Apps;
- to independently manage learning times.

Alternatively, if required by specific regulatory provisions or for other organisational reasons, training can be provided through Live classrooms (physical or remote).

During 2025, the People Attraction, Skills & Learning Strategy structure continued developing innovative training models and methodologies aimed at promoting a multichannel learning approach that maximises simplicity and flexibility. In addition to Academy4Future, a new training "ecosystem" is currently being implemented, which includes the adoption of a new learning platform designed to simplify and enhance the experience of Group employees.

In 2025, in continuity with what was done the year before, corrective mechanisms concerning non-completion of mandatory training within the required timescales were provided in the incentive system in order to further strengthen its monitoring. Furthermore, the training provision has been expanded and updated with the publication of new digital content to incorporate regulatory updates regarding Legislative Decree 231, Anti-Money Laundering and Anti-Corruption.

With reference to the AI area and thanks to the dedicated Faculty described above, in 2025 the gradual rollout of the AI Fundamentals training programme to employees was launched. The programme is designed to develop key competencies in artificial intelligence by introducing the basic concepts of AI. The content, focusing on areas such as machine learning, generative AI, ethics and privacy, and people skills, provides an initial guide to understanding and making the most of new digital technologies, helping to prepare people to address future changes. Moreover, related training activities also continued in 2025 through the publication, in October, of the selection titled "Regulations in the field of artificial intelligence." This selection, which represents an update of the one published in 2024 (under the same title), addresses, among others, the following topics:
- the AI Act, which regulates Artificial Intelligence;
- prohibited AI practices;
- the Guidelines for the Use of AI, which define roles, responsibilities, and macro-processes and provide direction for the use of Artificial Intelligence;
- the AI Compliance Framework, which consists of internal regulations, processes, tools, controls, and training aimed at managing Artificial Intelligence in the most effective way possible.
- how the Group mitigates risks related to Generative AI by requiring the adoption of specific safeguards, additional checks, and dedicated tools known as "Guardrails."

During 2025, for the second consecutive year and in compliance with the provisions set out in the 40th update of the "Supervisory regulations for banks" issued by the Bank of Italy, a specific Training Plan on "ICT and Security Risks" was prepared. In the current context, characterised by a strong push toward process and tool digitalisation, technological development, and a complex international political landscape, the plan included training and awareness initiatives aimed at increasing employees' awareness and know-how regarding the main ICT-related risks.

The training initiatives, depending on the content covered, are delivered on an ongoing basis both to all Group employees (for example, with regard to online fraud, critical events and how to manage them, and information security management systems and Business Continuity) and to specific population clusters responsible for overseeing particular business risks. This scope also includes the "MATRIX Project," which was completed in the first six months of 2025 (involving 4,581 people during the year). The project, designed with the aim of creating an ecosystem of models and tools for human resources, aimed at supporting the technological development of the Group with adequate resources, planned a significant investment in training in order to respond to the needs arising from the evolution of the Group's people and promote the acquisition and enhancement of key knowledge in the IT sector. The training programme is aimed at both newly hired collaborators, with a specific onboarding process including digital and live content designed ad hoc, and at professionals already included in the role with specific technical/specialist initiatives and certification paths.
During 2025, in order to comply with the European Union regulation on the Digital Operational Resilience Act (DORA Project), which aims to strengthen the cyber resilience of the financial sector and make it better prepared to deal with cyber incidents, specific training initiatives were delivered across both the Italian and international perimeter of the Group (involving 65,950 people during the year).

In order to promote prudent risk-taking when it comes to current and prospective risks across all levels of the organisation, with particular focus on those connected to climate change and technological innovation, information, awareness and training initiatives were provided on an ongoing basis in the context of risk culture and management.

In 2025, as in previous years, the Intesa Sanpaolo Group continued delivering training in the ESG field, addressing topics in a cross-functional manner, with reference to social, environmental, and governance issues. The training proposal is structured on two levels:
- a basic level, cutting across the various topics and provided to all employees, above all through online remote training modules;

- an in-depth specialist level, on individual topics, managed by the Divisions and Governance Areas concerned, including in-person training.

In particular, in 2025 a new collection of mandatory training modules on the Corporate Sustainability Reporting Directive (CSRD) was published, with the aim of providing in-depth insight into the CSRD Directive, the reporting standards (ESRS), and the Group's main social, governance, and environmental policies — starting from the concept of double materiality through to the Group's internal control system.

New modules were also published to supplement and update the training programme on the Code of Ethics, with the aim of presenting the Code as a strategic tool to guide behaviours and decisions in line with corporate values. Particular attention was given to the stages of the document's development — from its approval through to its dissemination — and to the risks associated with its violation, with specific reference to the active role that each employee is expected to play in applying appropriate behaviours in daily decisions, both within and outside the Intesa Sanpaolo Group (in 2025, these training modules were completed by more than 67,000 Group employees).

With a view to raising awareness on environmental issues, an update to the mandatory training programme on environmental protection was published, with the aim of illustrating the appropriate technical tools and providing the necessary information for the correct completion of the identification and management form for special waste. In addition, training modules on the Voluntary Carbon Market were published, with the aim of providing the relevant regulatory context (the United Nations Framework Convention on Climate Change, the 2005 Kyoto Protocol, and the 2015 Paris Agreement) and offering useful information on how the Group intends to support its customers in their decarbonisation journey, guiding them to make responsible and informed choices.

In 2025, a Compliance Talk entitled "The Evolution of the ESG Framework" was delivered, addressing ongoing changes in the broader context, the positioning of Intesa Sanpaolo, and sustainability as a driver of competitiveness and business development in alignment with ESG principles.

Specific initiatives on Diversity, Equity & Inclusion topics — including sexual harassment — continued in line with what had been implemented in previous years, with the aim of broadening and strengthening the culture of inclusion. For a detailed overview of these initiatives, please refer to the paragraph "Actions on Diversity, Equity and Inclusion."

During 2025, 44 Digital Talks were delivered, 8 of which in the ESG area, with testimonials from subject matter experts on various topics, including climate change and inclusive leadership. In particular, topics addressed included the energy transition, the technologies that can support it, and the key factors to consider when investing in sustainability. In addition, the topic of organisational wellbeing was explored in greater depth, focusing on how it can be supported through the development of relational skills that enable self-care and care for others, as well as the ability to "rediscover what truly matters" in a context characterised by intense stimuli, demands and expectations. Some of these Digital Talks were delivered in English in order to also reach Managers of the International Banks.

Lastly, since archives are fundamental elements in reconstructing a company's history and the Historical Archive of Intesa Sanpaolo has been declared of significant historical interest by the State — and, as such, constitutes cultural heritage of the community — in 2025 a mandatory digital training programme was published. Its objective is to provide information and practical tools to promote proper awareness in identifying documents of historical value that contribute to shaping the Group's history, roots, and identity.

With reference to the actions taken in order to support people in job communities, the following initiatives were carried out in 2025:

- launch of a new community dedicated to Community Ambassadors — individuals who support the definition of the communication strategy, the creation of content, and the development of the network;
- activation of the platform in bilingual mode in order to extend the communities to employees operating across the international perimeter. In particular, in 2025, two of the communities of interest were also launched in English and extended to the International Branches of Intesa Sanpaolo.

With these actions, as at 31 December 2025, 12 communities were active (7 professional and 5 interest-based) dedicated to people within the Group's Italian perimeter, of which 2 were also extended to international branches and their respective representative offices.

As regards the "Leaders of the Future" programme, for the entire duration of the 2022-2025 Business Plan, participants followed a personalised development path, financed through an ad hoc budget: specialist and managerial training in English in collaboration with the best Business Schools, premium coaching and individual empowerment initiatives, international workshops focused on innovation, project work initiatives strongly connected to the Group's businesses.

Training activities at Division level

During 2025, the IMI Corporate & Investment Banking Division stepped up its commitment to promoting initiatives aimed at strengthening specialist skills, both domestically and internationally. This choice responds to the increasing complexity and dynamism of global financial markets, which require the continuous evolution of technical and managerial skills in order to maintain a competitive advantage and ensure a high level of advisory service. Initiatives were developed with a focus on emerging topics in response to transformations in the sector. Targeted training programmes aimed at strengthening written and verbal communication skills were also launched.

The set of initiatives developed during 2025 involved 923 people. This choice stems from the awareness that, in an increasingly international and multicultural environment, mastery of communication is a critical success factor, as it enables the overcoming

of linguistic and cultural barriers, the management of complex negotiations, and the strengthening of leadership and influence in interactions with internal and external stakeholders.
These initiatives are part of an integrated vision of professional development, aimed not only at technical upskilling but also at fostering the growth of soft skills and managerial competencies. The objective is to develop well-rounded professionals capable of successfully addressing the challenges of a constantly evolving sector.
The IMI Corporate & Investment Banking (CIB) Division of Intesa Sanpaolo also renewed its ESG commitment for 2025, promoting update and awareness initiatives aimed at its international community of young professionals under the age of 36. ESG topics play a central role in the new "IMI CIB Next Generation Education Program", developed in collaboration with Digit'Ed and SDA Bocconi School of Management, with the aim of preparing the next generation of professionals in the sector. The programme aims to build an ecosystem of knowledge and methodologies capable of equipping participants with the core values and skills needed to interpret and guide the needs and solutions that drive the industrial processes of Corporate & Investment Banking at Intesa Sanpaolo. The training programme, designed in alignment with the functions and services offered by the IMI CIB Division, is based on synchronous learning formats, both in person and remotely, leveraging both internal expertise within the ISP Group and the academic capabilities of SDA Bocconi School of Management.

In continuity with previous years, the Asset Management Division also launched the "Eurizon Advanced Training" course in 2025. The idea is to provide an annual programme aimed at a selected group of young professionals under 35 from the Division's Italian companies, combining internal and external know-how. The objective is to share knowledge and experience in order to integrate theory and practice, confirming, among others, training modules relating to the ESG impact in the fields of finance, economics and society, as well as the Division's sustainability policy. The programme ran throughout 2025, alternating in-person sessions with remote interventions, and included project work activities as well as meetings with industry experts.

The Private Banking Division, in light of the growing importance of sustainability topics within financial services and with the aim of continuously enhancing the professional profile of its staff — as well as fostering an adequate level of awareness and culture — delivered, in continuity with previous years, a preparatory programme for ESG investment certification. The "ESG Advisor" programme is delivered during the last quarter of the year through remote sessions scheduled at intervals to allow participants to further explore the topics covered. In addition, during the first half of the year a programme on behavioural finance was also delivered, aimed at professionals within the commercial network of Intesa Sanpaolo Private Banking (ISPB). The objective of the programme is to provide these professionals with the tools needed to understand the emotional and cognitive dynamics that influence and shape customers' economic decisions, so that the advisory approach can become the most effective variable in the customer relationship.

Lastly, during 2025, the Insurance Division also took part in the ESG training initiatives developed and promoted at Group level, with the aim of strengthening internal competencies and ensuring consistent alignment on sustainability topics.

The above-mentioned training initiatives recorded the participation of 157 people from the Wealth Management Division during 2025[242].

The Chief Audit Officer, in coordination with the Group's Learning Strategy function and Digit'Ed, developed a training initiative on Ethics — addressed from legal, accountability and AI implementation perspectives — aimed at a selected group of employees.

The International Banks Division (IBD), in continuity with previous years, ensured ESG training across all banks within its perimeter, both through high-level online initiatives addressed to all Division employees and through more targeted, specialist live sessions dedicated to specific professional roles (the latter involved 41 people during the year). In particular, the online delivery of the mandatory course on the Code of Ethics continued. Other mandatory initiatives addressed to the Legal Entities population were carried out with reference to regulations on Modern Slavery, the Corporate Sustainability Reporting Directive (CSRD), the internal Code of Conduct, and Whistleblowing.
A non-mandatory digital course on ESG Investments was also published, and the dissemination of "ISP4ESG, Our Contribution To The Future" continued.
For subject-matter specialists across all the banks and the Division, two live courses were delivered: "ESG and Social Lending Credit Product: Criteria and Practical Approach" and "ESG & Credit Risk."

Digital Talks delivered in English for Managers of the international banks within the International Banks Division (IBD) also continued, with three editions focusing on sustainability and innovation topics.

During the second half of 2025, additional live training initiatives were delivered under the following titles:
- Updates on ECA tool (credit platform), ESG & Reputational Risk Clearing process;
- Biodiversity Indicators in banking business;
- Climate Transition Plans.

[242] Wealth Management refers to the combined scope of the Asset Management Division, the Private Banking Division, and the Insurance Division.

Metrics relating to performance assessment

The Group introduced new metrics (so-called entity-specific metrics) in the 2025 Report, for which comparative data are not presented.
With reference to performance assessment systems, the Group recognises these processes as essential elements for professional development and career growth. To this end, during 2025, approximately 96.9% of employees included within the evaluation scope were subject to periodic reviews of performance and career development.

Table – Percentage of employees who participated in annual performance reviews[243]

	2025
Women	95,8%
Men	98,2%
Total	96,9%

The following are excluded from the evaluation mentioned above:
- employees hired on permanent contracts after 30 June of the reporting year, including those whose permanent contract results from a contractual conversion (for example, staff whose apprenticeship contract has been converted into a permanent contract);
- employees hired during the same period on fixed-term contracts or under professional apprenticeship schemes, for whom a different assessment methodology is applied.

Health and safety

Health and safety policies

The Health & Safety structure ensures the monitoring of compliance risk with reference to the areas of occupational health and safety protection, pursuant to Legislative Decree 81/08, fulfilling the role of specialist function provided for by the Group Compliance Guidelines.

The principles and procedures to be adhered to and implemented to ensure a safe working environment are governed within Intesa Sanpaolo by four documents:
- the Occupational Health, Safety and Welfare Policy, which aims to formalise, implement and promote the strong and shared values of Integrity, Excellence, Transparency, Respect for Individual Differences, Fairness, the Value of the Individual, and Responsibility in the Use of Resources, as well as the principles of conduct governing relationships with stakeholders as outlined in the Code of Ethics and the Internal Code of Conduct.
- the corporate rules on occupational health and safety, applicable to the Italy perimeter, a document that — in addition to defining guiding principles and operational provisions aimed at ensuring an effective occupational health and safety management system in the workplace — assigns specific supervisory duties to Company Supervisors with respect to their employees;
- the Health and Safety Rules for employees based in Italy during assignments or secondments abroad, which derive from the progressive extension of the obligation to assess both “internal” risks — generated by the company’s own activities — and “external” risks, provided they are related to the work context. Moreover, the duty of safety extends to all locations where the employee performs their work activities. Oversight of health and safety protection therefore extends, through a broad-spectrum approach, also to employees working in foreign countries;
- the Rules for Occupational Health & Safety Management Systems in the International Subsidiary Banks, introduced to implement the principles set out in the Occupational Health, Safety and Welfare Policy at an international level and to promote harmonisation and consistency of the practices adopted, while ensuring compliance with the regulations in force at national level.

These documents complement the declarations set out in the Group's Code of Ethics, which places its employees' health and safety among its fundamental principles and to which reference is made for the discussion of the commitments regarding human rights.

In light of the specific complexity that characterises Intesa Sanpaolo, the delegation model provides for the appointment of a single Employer’s Delegate acting as the central “focal point” for defining the guidelines, coordination and oversight relating to occupational health and safety. All responsibilities relating to occupational health and safety have been assigned to this role — with the sole exception of those that cannot be delegated by law (approval of the Risk Assessment Document and appointment of the technical role of the Head of the Prevention and Protection Service) — including the authority to identify other company roles to which tasks and responsibilities may be assigned in line with the positions held.
Accordingly, several company roles have been identified as sub-delegated parties, possessing appropriate expertise as well as managerial and financial autonomy. Regardless of their organisational position, these roles are closer to the sources of risk and are therefore better able to assess their impacts and implement the most appropriate protective measures to prevent them. At a second level (the only one permitted by law) are the structures receiving Sub-Delegation, identified within the corporate functions.
The above policies comply with national and international standards for respecting human rights in the occupational health and safety sector. In confirmation of this, the organisation has adopted — currently limited to Intesa Sanpaolo and three companies of the Insurance Division (Intesa Sanpaolo Assicurazioni, Intesa Sanpaolo Protezione and Fideuram Vita) — ISO 9001 certification for the *“design and delivery of prevention and protection services relating to workers’ health and safety, and the*

[243] Entity-specific metric.

planning and organisation of occupational health services", as well as ISO 45001 and ISO 45003 certifications. The documents are made available both through the intranet portal for Group people and through the institutional website for external customers or stakeholders.

For details regarding any impacts, risks and opportunities (IROs) covered by the policies relating to health and safety, please refer to the IRO table presented in the "Materiality Analysis" section of the ESRS 2 – General Information chapter.

Processes for engaging with own workers and their representatives

The Group's commitment to involving people is expressed in the Code of Ethics, promoting listening and dialogue at all levels. Employee hiring is also ensured through trade union representatives. As well as by the industry outlook, relations with the Trade Unions are also regulated by the Labour/Management Relations Protocol, which has made it possible to implement a specific union relations model within the Group.

With reference to the involvement of employees in health and safety matters and in line with the reference regulations (Legislative Decree 81/08), the role of Worker Safety Representatives (WSRs) comes into play. These are generally assigned the task of communicating and engaging with employees in order to take their perspectives into consideration. These representatives number 96 and cover 100% of the workforce in Italy. Of these, 40 are part of the delegation that meets periodically with the Health and Safety structure, the Employer's Delegate, and RLS Support — a recently established structure — with the aim of collecting and representing the needs arising from the local areas that must be brought to the attention of the employer. On that occasion, all the activities carried out by Health and Safety are summarised using a reporting system set forth by the legislation which includes activities carried out and programmes for the following years. Information on these topics is made available through the intranet portal and mandatory training (Apprendo platform), subject to assessment and monitoring.

The Process Guides define the role and responsibility of the Safety Officer, which also includes hiring of and communicating with employees.

Remediation processes for employees and their representatives and reporting channels

The management of material impacts on the Group's people in the health and safety area is governed by a specific Process Guide (Compliance Management Process Guide - Management of Occupational Safety Regulations) which sets out the approach to managing the anomalies identified through control activities and any corrective actions to be implemented.

Specifically, the Process Guide defines the risk monitoring and assessment activities for workers in the health and safety sector and also identifies the various structures in charge of these processes (the employer is responsible for risk assessment, Health and safety must plan and carry out inspections and audits for the integrated risk assessment and record the results). In addition, in the event of risk factors being opened, these are recorded in the systems and a tracking process verifies their acceptance and the subsequent completion of the intervention.

This Guide also defines the communication channels made available to employees to receive information and communicate with the reference functions in health and safety matters. This process is managed by the Safety Officer, who undertakes responsibility for it. In addition to Code of Ethics and whistleblowing reports, the channel for reporting risks and incidents on the company HSE portal is available to some company roles, such as branch managers and WSRs, who have the right to access all workplaces and submit reports that are subject to checks by the head office structure in order to determine whether or not to open the risk factors.

Furthermore, it is worth highlighting the presence of direct channels dedicated to branch managers to report risks and incidents. This option is also available for the Occupational Medicine department, which has a direct channel available to request additional medical examinations. In addition, the Group employees can benefit from psychological support following a traumatic event.

Corporate roles specifically identified for this purpose (for example, supervisors) are provided with dedicated training on the correct use of reporting channels, available on the company intranet with the related access instructions, thus guaranteeing the privacy of the person who makes the report.

Health and safety objectives

The Group put in place a series of policies and actions to protect its employees on health and safety matters that enable it to monitor and address these issues on an ongoing basis, allowing the achievement of the standards set to protect the Group's people, even without a precise definition of quantitative and measurable targets.

Actions related to health and safety issues

With regard to health and safety topics, the Intesa Sanpaolo Group promotes several initiatives addressed to its people that go beyond regulatory requirements, adopting a holistic and integrated approach. For example, during medical examinations, the Occupational Health Doctor administers targeted tools designed to investigate emerging risks such as new forms of stress and to conduct a more in-depth assessment of individual vulnerabilities arising from specific personal conditions, with the aim of identifying the most appropriate reasonable accommodation. Moreover, the activation of neuroscientific research projects aimed at identifying intervention strategies related to cognitive load, technostress, and ageing effects is also encouraged. For these areas, the industrialisation of the related training programmes was completed during 2023 and 2024, while a similar process is currently underway in the field of Human–Computer Interaction. The neuroscientific research project "Acoustic Wellbeing" is currently nearing completion. These initiatives complement traditional prevention activities and the ongoing training on new and relevant topics.
The Process Guides detail the activities aimed at identifying risks and the operational controls carried out, as well as any corrective actions to be implemented (for example, prevention and protection measures implemented and personal protective equipment).

In particular, the method used to assess workplaces and the related Risk Contexts involves conducting a technical analysis and a field analysis, through inspections of all workplaces. Where deemed necessary, checks and measurements are also carried out on site using specific equipment by qualified and specially trained technical personnel. All the measures implemented, along with the assessment of their effectiveness, are reported in the Risk Assessment Document (DVR). With regard to mitigation measures, it should also be noted that in the area of psychosocial risks, for the third consecutive year Intesa Sanpaolo and three companies of the Insurance Division — Intesa Sanpaolo Assicurazioni, Intesa Sanpaolo Protezione and Fideuram Vita — have obtained ISO 45003 certification for "Occupational health and safety management — Psychological health and safety at work — Guidelines for the management of psychosocial risks."
For each of the identified mitigation measures, the areas and significance of the risk to which they refer are also identified, in addition to the level of intervention in terms of primary, secondary and/or tertiary prevention.

Mandatory health surveillance required by law currently applies, within the Italy perimeter, to more than 56,000 people in the Intesa Sanpaolo Group who, based on the analyses completed so far, are found to use video display terminals for at least 20 hours per week. Measurements are also currently being finalised for staff working in Intesa Sanpaolo branches with fewer than five employees. The results of these examinations, in anonymous and aggregate form, are the basis of the epidemiological survey that provides a general picture of the Group's people's health and wellbeing.
The "Subjective Vulnerabilities Process," launched in 2024, is intended for employees with disabilities and, through the Occupational Health Doctor, aims to:

- support employees with "subjective vulnerabilities" at every stage of their working life, monitoring the effectiveness of the measures over time, including in relation to changes in job role;
- provide a data matrix for epidemiological analysis purposes and develop a reliable and scientifically robust method for assessing the functioning construct;
- promote an integrated management strategy among the different Corporate Functions, tailored to the individual employee, aimed at:
  - identifying the need in relation to one's limitations and functionality;
  - providing specific training to the employee and the work team;
  - detecting any need for further assistance in an emergency;
  - identifying reasonable mitigation/arrangement measures.

The International Banks Division (IBD) also renewed the "Healthcare Programme" for 2025 — the international healthcare assistance programme — continuing to support Group employees abroad with permanent contracts, totalling more than 18,000 people. The programme offers consultations for second medical opinions (also extended to spouses and school-age children) and/or medical treatment at centres of excellence (for Group employees) located in countries other than the place of residence and/or work. Designed to provide support in cases of serious illness, the programme covers the costs of treatment and complementary services, including visa assistance, hospitalisation, accommodation for an accompanying person, and travel expenses. It also provides full coverage of transport and accommodation expenses abroad, in addition to reimbursing medical expenses incurred upon returning home.
Starting from the second quarter of 2025, CIB Bank joined other banks within the perimeter[244] in implementing a medical coverage policy, aligned with local standards, for all active employees in service once they have completed their probation period. The policy provides a wide range of services that can be accessed through a call centre booking system, including comprehensive outpatient care, laboratory tests and diagnostics, and outpatient surgical procedures.

Health and safety metrics

As of 31 December 2025, 100% of employees are covered by an Occupational Health and Safety Management System. In particular, as regards the Parent Company and the insurance companies of the Insurance Division (Italian boundary), this Management System is certified according to the ISO 45001 standard. For all other Companies/secondary branches, however, there is an Occupational Health and Safety Management System that is defined either internally by the Group or by the applicable foreign regulations.

The following table shows the main indicators regarding work-related injuries and deaths that occurred in the Group during the year.

Table – Performance of health and safety indicators for the Group's collaborators

	2025	2024
Percentage of people in its own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines	100%	100%
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	-	-
Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	-	-
Number of recordable work-related accidents for own workforce	527	537
Rate of recordable work-related accidents for own workforce	3.47	3.39
Number of recordable occupational diseases among Group employees[245]	6	n.d.
Number of days lost due to occupational injuries, occupational diseases and fatalities among Group employees[246]	16,316	n.d.

[244] Banca Intesa Beograd, Alexbank, ISP Albania, ISP Romania and Pravex for Managers only.
[245] Entity-specific metric. New indicator introduced in the 2025 Consolidated Sustainability Statement, for which comparative data are not presented.
[246] Entity-specific metric. New indicator introduced in the 2025 Consolidated Sustainability Statement, for which comparative data are not presented.

The number of recordable injuries is indicated by taking into account both injuries that occurred to employees at work and those that occurred while commuting, based on the accident reports submitted.
The relative injury rate is calculated as the number of injuries in the year out of the total hours worked, multiplied by a coefficient equal to 1,000,000. The estimate of hours worked is based on normal or standard working hours, taking into account the right to periods of paid leave. As regards the Italian scope, this estimate follows the calculation criteria defined by INAIL methodologies.
In 2025, both indicators remain in line with the levels recorded in 2024. In particular, the total number of recordable injuries shows a decrease compared with the previous year, consistent with the reduction in headcount, while the injury rate remains substantially stable.

With reference to the number of occupational diseases, the figure shown in the table refers to cases that are recordable on the basis of claims notified by employees during the reporting period.
Finally, the number of lost days takes into account days of absence due to workplace accidents and includes the first and last full day of absence, calculated on a calendar-day basis. It should be noted that, for confidentiality reasons, the figure does not include any days of absence due to occupational illness.

Well-being of the Group's people

Work-life balance policies

To ensure a good balance between employees' private and professional lives, the Group has established rules and policies to manage the related impacts and opportunities. These are also inspired by the Code of Ethics and are set out in the document Rules on Flexible Working; both documents are aligned with national and international standards for the protection of human rights related to work–life balance (for example, the ILO Declaration on Fundamental Principles and Rights at Work).

For further details on the impacts, risks and opportunities (IROs) covered by the policies relating to work-life balance please refer to the IRO table set out in the paragraph "Materiality analysis" in the ESRS 2 – General disclosures chapter.

Within the Intesa Sanpaolo Group, the National Collective Bargaining Agreement, the Code of Ethics and the second-level bargaining agreement identify solutions aimed at ensuring a good work-life balance. All the relevant regulations are aligned with national and international standards for the protection of human rights (for example, the ILO Declaration on Fundamental Principles and Rights at Work). The National Collective Labour Agreement, which represents the regulatory source through which the workers' trade unions and the employers' Associations define, in agreement, the rules governing employment contracts, provides highly innovative and dynamic tools, capable of balancing people's personal and professional lives, in a context of profound and continuous transformation. Furthermore, as part of the renewal of the Group's second-level collective bargaining agreement, most recently concluded in December 2025, the Group's commitment to the full enhancement and well-being of the Group's people was confirmed through initiatives and tools targeted at them and their families. In an integrated Welfare context, the second level collective bargaining agreement contains agreements on "work-life balance - inclusion" and work organisation (flexible work and training, 4-day working week and flexible hours), as well as a new agreement on the protection of parenthood.

With reference to Intesa Sanpaolo Assicurazioni, the solutions aimed at ensuring a good balance between personal and professional life are identified within a collective bargaining system operating on two distinct and complementary levels: the first at national level (CCNL ANIA) and the second — supplementary to the first and at second level — for the companies of the Insurance Group (Insurance Protocol).

The IBD Division also supports Group policies and actions aimed at safeguarding the wellbeing of its employees, in relation to work-life balance issues in order to support them in pursuing their psychological and physical well-being and in fulfilling their needs. In addition, particular attention is given to insights emerging from periodic surveys, in order to support improvement actions or define new initiatives.
As previously described, in the paragraph "The Group's commitment to human rights", among the various principles set forth by the Code of Ethics, "respect for people" is emphasised with the aim of promoting policies that facilitate work-life balance, encouraging forms of flexibility and implementing initiatives to reconcile work and private commitments, in the awareness that such balance is fundamental in the pursuit of people's well-being. The Flexible Working Rules, which fall under the responsibility of the Relations With Workers' Representatives And Welfare and Labour Affairs & Policies structures, are available on the company's intranet, within the HR regulatory section of the internal company platform (#People) and apply to all Group employees in the Italian scope. The Rules, in line with the principles set out in the Code of Ethics, summarise all the provisions currently in force regarding flexible working, with the aim of facilitating a better balance between employees' private and professional lives.

Policies relating to working hours

The Group places its people at the centre of the policies implemented, within which the protection of the rights of each individual takes on a predominant role. This person-centred approach is reflected in all the company's regulations issued from time to time, in which working hours are of particular importance, promoting their professional development and growth and at the same time guaranteeing a healthy work-life balance.

The Bank operates within the regulatory and contractual framework defined by the relevant laws and by first-level national collective bargaining: the main reference legislation is represented by Legislative Decree No. 66 of 8 April 2003, as amended, as well as by Legislative Decree No. 81 of 15 June 2015, as amended.

The legal provisions are incorporated by the National Collective Bargaining Agreement (CCNL) for Executives and for the Professional Areas reporting to Credit, Financial and Instrumental companies, which governs issues such as working hours,

intervening for example in the following areas: part-time working hours, disconnection, weekly rest, holidays and leave, time bank, student workers, methods of implementing extra-standard working hours in cases of social hardship, weekly hours, daily hours, shifts. The topic is also subject to further agreements at national level which constitute appendices to the afore-mentioned CCNL, including the Agreement Minutes on the subject of work-life balance, equal opportunities and corporate social responsibility.

Finally, it should be noted that the current National Collective Bargaining Agreement (CCNL) introduced a 37-hour working week, effective from 1 July 2024.

In addition to making reference to the National Bargaining Agreement, the Group, for the Companies within the Italy perimeter, has also adopted its own second-level collective bargaining agreement which governs, among other things, the legislation on the provision of professional services and working hours, including the regulation of part-time employment, flexible work and other work-life balance tools.

At an operational level, for the Group Companies belonging to the Italian scope with employment contracts in the Credit sector, the matter relating to working hours is governed by three separate Policies: the “Rules on working hours, holidays and leave”, the “Rules on Flexible Work” and the “Rules on Part-time Work”, which are based on the provisions of the law, first and second level bargaining contracts and on the consequent company resolutions. The three Policies, like the entire regulatory framework of the Intesa Sanpaolo Group, are inspired by the principles set out in the fundamental documents that guide the Group's action, namely the afore-mentioned Code of Ethics, the Principles on Human Rights and the Principles on Diversity, Equity and Inclusion.
The three Policies represent a single set of regulations and govern the aspects of the employment contract relating to working hours as a whole and are constantly monitored and updated with the aim of ensuring timely alignment with national and supranational legislation, as well as with sector and company collective bargaining agreements.
All internal regulations are monitored within the scope of the Compliance processes in order to ensure their conformity also from the point of view of their application.

The “Rules on working hours, holidays and leave” apply to Group personnel with employment contracts in the credit sector (Italy) and cover general provisions concerning personnel classified in the categories of middle managers and professional areas such as:

- working hours (including weekly and daily working hours, service provision hours, including work activity divided into 4 days per week, and rest periods);
- holidays and former public holidays[247];
- paid and unpaid leave for family and personal reasons, or for studies;
- leave of absence due to studies, family and personal reasons or illness;
- parental protection;
- Time Bank;
- the voluntary suspension of the work activity;
- the right to disconnect (which means that outside of working hours and in cases of legitimate reasons for absence, personnel are not required to access and/or connect to the company's IT systems or activate the company's communication devices).

All these measures, in compliance with the law, are always inspired by the aim of avoiding any active or passive discrimination towards the Group's people.

Similarly, the "Rules on Part-Time Work" and the "Rules on Flexible Work" cover two particular work-life balance tools, respectively defining part-time work and the so-called agile working (i.e. the provision of the service for certain days a year at locations other than the assignment location, such as: home, “company hub”[248] or “customer”).

The “Rules on working hours”, as well as all those concerning the regulation of the contracts with the Group's people, fall under the responsibility of the Chief People & Culture Officer - Labour Law.
The “Rules on working hours” are made available to all Group personnel via the company intranet portal and in particular on the internal company platform (in the #Regulations section), in order to allow everyone to constantly align with the evolution of the company regulatory framework. In the event of significant amendments, for example as a result of their adaptation to relevant regulatory or contractual changes, the publication of the updated versions of the Rules is announced through specific news on the company portal. Furthermore, once again for information purposes, the internal company platform (#People) contains explanatory regulatory information sheets of the main employment law provisions, including those relating to working hours. These information sheets also contain the information required to activate the request process for the regulated measures (for example, time off or a leave of absence) by explaining the role of the various players involved (for example, the applicant, hierarchical manager and Human Resources structure). The application of the provisions contained in the policies regarding working hours, as well as other policies regarding the management of the Group's Human Resources, is also facilitated by the presence of a dedicated section in the internal company platform (#People), as well as by an additional section of the company portal (#HR Support) through which it is possible to submit questions relating to Human Resources Services.

[247] As established by the National Collective Bargaining Agreement (CCNL) for the Credit sector, employees within the Italy perimeter are entitled each year to a period of paid leave of 20 days, to be proportionally adjusted according to the months worked in the year of hiring and subsequently increasing up to a maximum of 25 days for professional areas and 26 days for middle managers. In addition, paid leave is granted for working days that coincide with former public holidays, up to a maximum of five days.

[248] A corporate hub refers to workstations located in offices or premises of Intesa Sanpaolo or another Group company that have been specifically designated and can be used by employees upon reservation, regardless of their organisational unit.

For further details on the impacts, risks and opportunities (IROs) covered by the policies relating to working hours please refer to the IRO table set out in the paragraph “Materiality analysis” in the ESRS 2 – General disclosures chapter.

Processes for engaging with own workers and their representatives

As set out in the section “Employment Protection and Industrial Relations”, within the Italy perimeter the Group, in coordination with the Trade Union Organisations, continuously promotes dialogue between the parties, as well as discussion on the Group’s initiatives aimed at identifying shared solutions to address the different needs brought to their attention.

At the level of the International Branches of Intesa Sanpaolo, the implementation of employee participation arrangements is carried out in accordance with the locally applicable national legislation and contractual regulations. Consequently, workers’ information and consultation obligations are applied in compliance with the specific legal framework of the relevant country, while always taking into account the principles guiding the Group’s actions on human rights, namely the Code of Ethics, the Principles on Human Rights, and the Principles on Diversity, Equity and Inclusion.

Remediation processes for employees and their representatives and reporting channels

Even with regard to aspects relating to working hours, the Group's people can first contact their reference human resources manager and make use of a specific support section within the intranet portal to receive technical support regarding the application of the relevant regulations. This is in addition to the option to make independent use of the various reporting channels made available to employees, i.e. the so-called active listening systems, which include:

- formal reporting to one's manager, to the Human Resources Department or to the reference company contact responsible for personal matters;
- the so-called "Whistleblowing"[249], governed by the Group rules on the internal reporting system of alleged violations;
- other procedures (including IT ones) dedicated to reporting to the relevant structures, including specialist ones, any non-application or incorrect or discriminatory application of the legislation relating to employment contracts (including in relation to working hours) with reference to particular thematic areas such as: the Code of Ethics, DE&I, sexual harassment, business policies, violations of the 231 Organisational Model.

Each Group Company protects whistleblowers from any form of retaliation, discrimination or penalisation and ensures the utmost confidentiality, without prejudice to legal obligations.

The handling of complaints/reports by Group personnel is set out in the relevant company regulations, including those dedicated to specific channels (see for example the Rules on Whistleblowing) as well as in the Group's Internal Code of Conduct, which specifies the various ways in which it is possible to report even alleged violations, non-applications or discriminatory applications of the regulations concerning employment contracts, including working hours. Periodically, both voluntary and anonymous climate analyses are introduced to collect and analyse any impacts, also in order to implement the consequent improvement actions. For further details regarding the climate analysis, please refer to the ESRS G1 – Business Conduct chapter, “Actions related to corporate culture.”

Targets relating to work-life balance and working hours

The Group has defined a series of policies and actions to protect its employees in relation to work-life balance issues in order to support them in pursuing their psychological and physical well-being and in fulfilling their needs. To this end, specific initiatives are conducted and monitored, which make it possible to assess the effectiveness of the welfare solutions intended for the Group's people, even in the absence of a precise definition of quantitative and measurable targets in a limited time horizon.

Work-life balance actions

Since 2015, flexible working has been the remote working model of the Intesa Sanpaolo Group. From the experimental phase to date, an ever-increasing number of people have been gradually involved, until it was decided to establish the availability of an annual ceiling of 120 days of flexible working from home, which can be increased to 140 in specific cases. Starting in 2023, thanks to an agreement signed with the trade unions, the option to use the so-called short working week (4x9) was introduced in Intesa Sanpaolo, which allows its employees to work between Monday and Friday over 4 9-hour days with equal pay, and on a voluntary basis, in line with the company's organisation and technical and production requirements.

The Credit National Collective Bargaining Agreement provides for various forms of part-time work, with different ways of distributing working hours: vertical, horizontal, mixed, cyclical, both for fixed-term and permanent contracts, with weekly hours ranging from a minimum of 15 hours to a maximum of 32 and a half hours.
In addition to the provisions laid down by law and the collective bargaining agreement for the sector, the Group's second-level bargaining agreement has over time defined priority criteria for the acceptance of requests related to personal and/or family needs with a view to sustainability. The 2021 Group second-level collective bargaining agreement provides additional tools to support parenting that complement the provisions already set forth at a regulatory level. For example, the following measures are worthy of note: paid leave for participation in childbirth preparation courses, for the settling of children in nursery schools or kindergartens, for attending the Emergency Room and additional unpaid days aimed at assisting minor children, additional leave/welfare initiatives to support parenting and caregiving. For fathers, specific additional paid leave is available following the birth of their children, as well as the entitlement to an allowance of 10% of the sum granted by law for parental leave, and the possibility of taking 10 additional days of parental leave.
The second-level collective bargaining agreement has strengthened inclusion and equal opportunities, extending parenting protection provisions to same-sex civil unions, de facto relationships and in favour of the spouse’s children. In this context, a specific extraordinary paid leave was introduced on the occasion of birth or arrival into the family and an optional extraordinary leave for the care needs of the children of the spouse, civil partner or cohabitant, which can be taken up to the age of twelve

[249] For further information, reference is made to the paragraph “Whistleblowing policies, objectives and actions” in the ESRS G1 – Business Conduct chapter.

with an economic treatment equal to that provided for parental leave for fathers and entirely paid by the Group (40% or 90% of the salary).

One of the work-life balance tools is the so-called “voluntary suspension”, which allows to use up to 20 days a year of suspension of the work activity, which can be taken advantage of without having to justify its use, guaranteeing a salary equal to 35%, with payment of the corresponding social security contributions. It is also permitted to exceed the limit of 20 days per year for caregiving needs.
In addition, particular importance is attached to the measures relating to parenthood provided for in the Second-Level Collective Bargaining Agreement, signed in December 2025 and effective from 2026, aimed at supporting and assisting young families. In particular, the agreement provides for:

- a 1,200 euro birth bonus for every newborn child;
- the experimental introduction of the possibility for a parent to use, after the period of “breastfeeding” leave and until the child reaches three years of age, additional paid leave of up to 12 hours per week or, alternatively, a very short working week (4 days × 7.5 hours) with no change in salary.

Another innovative tool provided by national and second-level collective bargaining agreements is the Time Bank, a reserve of time made available by the company and Group's people so they can provide greater support for employees in difficulty, even for brief periods, and give them more time. The Time Bank is set up annually with an initial ceiling of 65,000 hours and each person has the opportunity to donate some of their own paid leave or holidays, which the company implements with an equal amount of time, up to a maximum of 100,000 hours in total. As part of the Time Bank initiative, multiple corporate volunteering activities were launched in 2025, which led over 400 people to carry out volunteer work, on working days for external associations and bodies chosen by the Group across the national territory.
The hours of leave granted through the Time Bank amounted to approximately 160,000 hours in total.
In 2025, over 35,000 hours were donated by the Group's people, in addition to the hours made available by the company, for a total of approximately 160,000 hours, also taking into account the hours made available for unused holidays by personnel who left the company pursuant to voluntary redundancy company agreements.

In 2025, the “People Care” initiatives were strengthened to promote and spread awareness of the importance of well-being in line with the 2022-2025 Business Plan and the Group's human resources strategy, with an increasingly broader vision, according to which not only personal but also organisational well-being is an integral part of the corporate culture, which is therefore "shaped" by it, and can significantly impact the Group's ability to attract new talent and consolidate stakeholder trust. By listening to people's needs, identified at multiple levels within the organisation and in different contexts and contact methods, diversified initiatives were therefore developed to promote people's well-being and improve their work-life balance, in synergy with support for diversity and inclusion, with corporate welfare and with new ways of working (Next Way of Working).

The Group continues to revisit office spaces in Italy, in synergy with the Next Way of Working project, as well as the food offering available in the company to promote habits geared towards individual well-being and to foster relationships. New “Energy Corners” — shared areas including leisure spaces and a food & beverage zone — have been set up, now totalling 99 across 39 locations. Corporate food outlets — restaurants, cafes and quick-service dining — have also been upgraded, and innovative and sustainable services have been introduced, such as smart fridges and delivery of healthy meals made with high-quality ingredients. To promote psycho-physical wellbeing, the development of corporate gyms has continued: in addition to the sites in Brescia, Milan (via Gioia 22) and Turin (NCD), three further gyms have been added — two in Milan (via Bisceglie and Milan Centre) and one in Moncalieri (Turin) — contributing to an overall increase of more than 60% in registered users. Intesa Sanpaolo has received recognition, for its offices in Milan (via Gioia 22 and Piazza Ferrari), among the “Workplaces that promote health” as part of the WHP – Workplace Health Promotion Lombardia programme, promoted by the Health Protection Agencies (ATS) of the Lombardy Region. In addition, the branch in Torre del Greco (Naples), in via Cesare Battisti, was awarded a similar recognition by ASL Napoli 3 Sud for successfully participating in a project sponsored by the Campania Region under the Regional Prevention Plan 2020–2025.

The modular use of the new spaces described above made it possible to hold in-person wellness activities across various company locations: morning yoga sessions, meetings with wellbeing experts, as well as cultural and social initiatives. In continuity with previous years, days dedicated to employees’ family members and friends were organised, featuring wellbeing, cultural, social and relational events, with the participation of prominent personalities. In 2025, the most significant initiatives took place as part of the celebrations for the tenth anniversary of the Turin NCD headquarters.

Significant measures to support and protect maternity and paternity also continue through the strengthening of the network of corporate and affiliated nurseries in Bergamo, Brescia, Florence, Milan, Moncalieri, Naples, Rome and Turin. These centres of excellence provide a safe, inclusive and stimulating environment for more than 300 children, demonstrating the bank’s strong commitment to supporting work–life balance and the wellbeing of employees’ families across the Group.

In addition, Intesa Sanpaolo is among the nine leading Italian companies that have established the "Fondazione Cresciamo il Futuro" to promote and develop, on a national scale, the innovative model of a distributed network of corporate nurseries, with the aim of expanding access to childcare services for employees’ families by enhancing existing facilities and creating new ones. The initiative, supported by the Ministry of Labour and Social Policies and by the Department for Family Policies of the Presidency of the Council of Ministers through the signing of two memoranda of understanding, supports employees and local communities, promotes parenthood and work–life balance, and contributes to addressing declining birth rates. The pilot phase began in spring 2025 with the sharing of available places in each company’s nurseries for the 2025–26 educational year. Through these initiatives, Intesa Sanpaolo further strengthens its commitment to its people and the wider community.

The Group continued to engage in the organisation of in-person and streaming initiatives across the Italian territory, to be even closer to its people and spread awareness on well-being:

- "Ricomincio da me (Starting Again from Me)", a new series of gym sessions dedicated to physical and mental wellbeing, designed to support the return to physical activity after the summer break and offering an opportunity to become more familiar with the corporate gyms and expert trainers;
- "Wellbeing Stories", a series of meetings launched in 2024 with special guests to encourage reflection on balance, building, courage, kindness and respect, aimed at organisational wellbeing;
- "Respira. Coltiva il tuo equilibrio (Breathe. Cultivate your balance)", a programme launched in 2024 featuring sessions to practise mindfulness and promote wellbeing and balance during periods of personal and work-related stress;
- "Adolescenza in dialogo, per una genitorialità consapevole (Adolescence in Dialogue, for Conscious Parenting)", a series of meetings aimed at exploring a stage of life characterised by significant physical, emotional and psychological changes;
- Initiatives aimed at raising awareness and promoting openness on issues such as disability and inclusion, health and psychological wellbeing — for example those linked to World Mental Health Day and the International Day of Persons with Disabilities, as well as the series dedicated to so-called "Invisible Illnesses";
- In-person "relational experiences" dedicated to individual structures or homogeneous clusters, to promote engagement through relational well-being, with dynamic formats and in locations that are disruptive to the work context.

Overall, over the course of the year, with reference to the above, over 75 initiatives were organised in 21 locations across the country, involving a catchment area of approximately 23 thousand people. Many of these initiatives were also made available in streaming.

Another important aspect is the Group's attention to people's health and mental well-being. In this context, the Group continued to provide its "Ascolto e Supporto" activity, the psychological support service, available 24/7, 365 days a year, for the entire Group in Italy and abroad. In 2024, the service was enriched in Italy with the Social Care tool: in the psychological counselling area, a Social Care Manager can intervene to provide practical help to the Group's people in the search for local services in the caregiving sector (for example, child care, care for the elderly and/or people with disabilities). In 2025, the "Ascolto e Supporto" service marked five years since its introduction and continued to provide assistance to all people across the Group, recording more than 3,000 total accesses (in Italy and abroad) during the year.

As regards CareLab, a workshop for the promotion of well-being that is divided into a structured offer of contents, tools and initiatives, both in digital form and in person, new services and opportunities were implemented: ÷

- "CareLab Pathways", developed in the wake of the "Wellbeing Stories" and the topics addressed during that series, with regular sessions held every two months inviting participants to explore a curated selection of insights, ideas and tools aimed at improving everyday life;
- "Petit BamBou", an app that supports people in practising mindfulness, offering programmes and tools designed to reduce stress and anxiety and help them fully enjoy life;
- "Futurely", a service specialising in educational guidance, aimed at families with children who need to choose their course of study after lower secondary school or after completing their high school diploma. It helps young people discover their passions, aptitudes and potential through an innovative digital platform offering personalised and flexible pathways, structured around guided activities, exercises and practical content.

In continuity with previous years, the following initiatives remain available and have been further expanded:

- "Tecnogym app", a tool with innovative services to encourage a healthier lifestyle, through training in all disciplines and personalised paths;
- "LianeCare", a platform to source caring specialists - babysitters, carers, housekeepers and pet sitters - with the aim of supporting people in their search for qualified personnel;
- "Acadèmia.tv", the online platform featuring cooking courses created with renowned Italian and international chefs, but also nutritionists, biologists and dieticians;
- "4Fooding", a web app for healthy eating, with daily and weekly menus, recipes and a team of nutritionists available for questions or personalised consultations;
- "21days", a web app that encourages the adoption of positive habits for emotional wellbeing, offering ten training paths to help manage technostress and ageing, reduce cognitive load, increase energy, foster positivity, improve concentration, manage time, strengthen emotional intelligence and self-esteem, and cultivate quality relationships.
- "#Stepbystep", an app that rewards an active lifestyle through steps, sports and challenges between employees, continues to host "special initiatives in steps" that involve groups of people in achieving ESG goals: by transforming the steps taken into tangible actions, everyone was able to combine attention to well-being with support for environmentally-friendly initiatives or support for the most vulnerable people. Among the initiatives, particular mention should be made of the one culminating in Olympic Day, an event organised by Fondazione Milano Cortina 2026 as part of the "Let's Move" campaign to promote the 2026 Winter Olympics.

As at 31 December 2025, CareLab recorded more than 760,000 views in Italy and abroad (+41% compared with the previous year), and 54,000 people were using CareLab services across platforms, apps and web apps.

The internationalisation process of the People Caring strategy continues, extending initiatives with impact and relevance to all people across the Group at a global level. Indeed, many of the tools mentioned above are also available to the Group's people abroad — for example CareLab, "Ascolto e Supporto", 4Fooding, Petit BamBou and #Stepbystep — and, with regard to meetings and initiatives, dedicated sessions have been organised exclusively for this perimeter.

Specifically, within the International Banks Division (IBD), in addition to consolidating the extension of the CareLab platform through a monthly plan for publishing wellbeing-related content — in collaboration with the Group's People Care structure — parallel sessions were held at several banks on the occasion of International Yoga Day. Further webinars dedicated to mental

health were also organised, partly thanks to the "Care Connect" service, which is similar to the "Ascolto e Supporto" Service for the Group's international entities.

Wellbeing topics within the IBD were further expanded in the annual programme of the Be Well initiative, which included:
- the third edition of the IBD Cooking Challenge, bringing together finalists from local cooking competitions held within the banks and the IBD Head Office in a multicultural exchange;
- the mental wellbeing programme, which in 2025 focused on kindness ("Be Kind"), developed through monthly meetings and testimonials from international banks, culminating in a webinar held on the occasion of World Kindness Day;
- a self-defence session for women at the IBD Head Office, aimed at strengthening confidence, awareness and risk-management skills;
- the continuation of the Head Office Book Club, a bimonthly meeting dedicated to sharing reflections and common readings.

Based on the experience gained during the pandemic and the results of internal surveys, the banks within the IBD perimeter have developed new flexible working models, in line with local laws. These models include a defined number of flexible working days, the redesign of corporate spaces, and the expansion of the group of employees involved. Also in 2025, the flexible working model remained in place at the head offices of all banks within the perimeter, with some of them extending it to their branch networks as well. In particular, VUB extended the initiative to all branches after the 2024 pilot phase.

Metrics relating to work–life balance[250]

The Group introduced new metrics (so-called entity-specific metrics) in the 2025 Report, for which comparative data are not presented. As at 31 December 2025, 97.9% of the Group's employees were entitled to family leave; within the Italy perimeter, this entitlement is granted to all employees. In 2025, 7.1% of those entitled actually made use of family leave, with 5.3% among women and 1.8% among men.

Table – Percentage of employees entitled to family leave

	2025
Total	97.9%

Table – Percentage of eligible employees who used family leave

	2025
Women	5.3%
Men	1.8%
Total	7.1%

The reported figure includes the following types of family-related leave:
- maternity leave (a period of absence before and after childbirth; in some countries also in the case of adoption), with job protection;
- paternity leave (for the father or, where provided for by national legislation, for an equivalent second parent) on the occasion of the birth of a child, for caregiving purposes;
- parental leave (for parents, following the birth or adoption of a child, for the purpose of childcare), as defined by the relevant Member State;
- carers' leave, to provide personal care or support to a family member or a cohabiting person with a serious medical condition, in accordance with national legislation.

Privacy of the Group's people

Policies relating to the privacy of the Group's people

The Intesa Sanpaolo Group has always maintained a high and constant commitment to protecting its employees' personal data, ensuring that such data is collected and processed in compliance with current legislative provisions.

The Group has drawn up specific governance documents which provide clear instructions on the conduct that employees and collaborators must maintain to ensure the correct collection, use and protection of personal data in compliance with current national and international legislation and the principles that guide the Group, formalised in the Code of Ethics and the Internal Code of Conduct. These instructions are set out in the Guidelines on the protection of personal data of natural persons and in the Corporate Rules for the processing and protection of personal data of natural persons. The internal regulatory documents, including Guidelines and Rules, are published on a dedicated internal portal to which all employees and collaborators have access.
Moreover, compliance with policies, regulations and standards relating to the protection of personal data is also required of suppliers. This is ensured through the assessment of their compliance and adequacy, the formalisation of contractual conditions, the definition of their privacy role, the provision of instructions on how to process data owned by the Group's companies, and the verification of the necessary safeguards in the case of suppliers operating outside the EU.

Upon the establishment of the employment relationship, employees and collaborators are provided with a privacy notice that transparently and clearly details the data processed, the methods of collection, the legal bases and purposes of processing, the data retention periods, the rights granted under the General Data Protection Regulation (GDPR), the ways in which those rights can be exercised, and the contact details of the Data Protection Officer (DPO), in order to make all necessary information

[250] Entity-specific metric.

transparent to the data subjects. The privacy notice was revised in June 2025. The updates concern the introduction of artificial intelligence systems in the data processing methods and the purposes related to the legal basis of legitimate interest.

For further details on the impacts, risks and opportunities (IROs) covered by the policies relating to the privacy of the Group's people please refer to the IRO table set out in the paragraph "Materiality analysis" in the ESRS 2 – General disclosures chapter.

The Group, having companies located in various EU and non-EU countries, complies with the express personal data protection provisions of their domestic legislation. Within the EU, activities relating to personal data protection are carried out by local Data Protection Officers, appointed by the Boards of Directors of the individual companies and functionally reporting to the Parent Company's Data Protection Officer. Companies for which a Data Protection Officer is not appointed identify, in line with the principle of proportionality, a role tasked with supporting local structures in carrying out activities to oversee the risks of non-compliance in the area of data protection. Outside the EU, the local Compliance Officer (or the specific role required by local regulation, where applicable) must verify that the Company's internal regulations comply with the principles set out in the Guidelines on the protection of personal data of natural persons. The results of this assessment are then submitted to the Parent Company's Data Protection Officer, while also ensuring full compliance with the legislation of the country in which the company operates. All companies are required to provide the Parent Company's structures with the information requested regarding personal data protection and to promptly notify them in the event of any significant related incidents.

The relevant regulatory framework, the principles that inspire the Group, the governance documents adopted by the Bank, and the responsibilities assigned to the various corporate structures and to the Data Protection Officer are described in the section "Service Quality – Customer Data Protection", paragraph "Policies relating to customer privacy", in the ESRS S4 chapter, and refer to the processing of personal data of all natural persons.

Processes for engaging with own workers and their representatives

In line with the principle of listening and dialogue in relations with the Group's people, as set out in the Code of Ethics, employee engagement takes place indirectly and is ensured through trade union representations, in accordance with sector regulations and the industrial relations protocol.
In the area of privacy, employees are directly involved at the time the employment relationship is established, through the provision of a privacy notice by the Human Resources function, which is also made available on the internal HR portal. As required by the legislation and the Guidelines, the policy is drafted in a concise, transparent, intelligible, easily accessible form and with simple and clear language to communicate the necessary information in a transparent manner. When the privacy notice is updated, the document is sent to all employees and collaborators for their acknowledgement and is also made available on the internal HR portal. For the new elements introduced with the latest update, please refer to what has already been described in the paragraph "Policies relating to the privacy of the Group's people."

Remediation processes for employees and their representatives and reporting channels

All employees and collaborators who are designated as Data Processors are required to act in accordance with the instructions provided to them, the applicable legal provisions, and the company's principles.

Failure by a Data Processor to comply with external or internal data protection regulations triggers a procedure to verify the actual non-compliant conduct. In the case of ascertained breaches, the relevant Departments are always informed in order to start disciplinary proceedings, which normally result in one of the measures under the reference regulations being applied against the employee.

In case of reports concerning privacy issues or requests to exercise rights, employees can contact the DPO, whose contact details are included both in the policy provided to them, and on the Group's institutional website, Privacy section, and in the specific process guides published on the internal portal.

Requests can be sent electronically (e-mail, certified e-mail) or in hard copy, and are treated with an adequate level of confidentiality and protection of the data of the data subjects. The monitoring of the receipt of requests falls under the responsibility of the Privacy function, which manages the requests received and guarantees their timely processing according to the terms laid down by the legislation.
As part of the integrated internal control system, the control Functions carry out checks, of different depth and frequency, on the compliance of activities with personal data protection regulatory requirements and on the correct implementation of the measures issued by the Data Protection Authority on these matters. The outcomes are reported to the Board of Directors.
In this context, the Chief Audit Officer carries out periodic control activities defined not only on the basis of specific regulatory obligations in the matter (audits conducted annually), but also from a risk-based perspective, also taking into account the findings reported by other corporate control functions.
Generally speaking, the independent checks of the Internal Audit are aimed at ascertaining the completeness, adequacy and functionality of the management model for the compliance risk in terms of data protection, reporting any irregularities relating to personal data processing to the competent corporate structures, to the DPO and reporting to the Board of Directors. The DPO, in compliance with the GDPR and the Guidelines, is tasked with preparing a report, at least annually, to report to the Board of Directors any data protection issues of particular importance. This commitment allows, through the adoption of appropriate measures, for the mitigation of reputational and non-compliance risks in the processing of personal data, also with respect to the lawfulness and fairness of the processing, the purpose of the processing and its relevance, and the completeness and non-excessive nature of the data collected.

Targets relating to the privacy of the Group's people

Intesa Sanpaolo is constantly committed to ensuring the highest level of confidentiality and security of its employees' data, guaranteeing — as detailed in the "Actions" section — the application of the principles of the General Data Protection Regulation (GDPR) and implementing awareness-raising initiatives. In this context, the safeguards put in place allow for the continuous

monitoring and oversight of these matters, ensuring the protection of employees' and collaborators' data even in the absence of specifically defined measurable quantitative targets.

Actions relating to the privacy of the Group's people

The Data Protection Officer monitors the compliance risk according to a risk-based approach by ensuring the application of the principle of Privacy by Design aimed at implementing from the outset the personal data protection rationale through the identification of potential risks for the rights and freedoms of the data subjects and the technical and suitable organisational measures for mitigating such risks, and the performance of privacy impact assessments for the evaluation of the impact on data protection before proceeding with one or more processing activities that may present a high risk for the rights and freedoms of natural persons.

In 2025, awareness-raising activities for the Group's employees continued, aimed at promoting a risk culture in the field of data protection and increasing awareness of a risk-based approach. This awareness is promoted through the delivery of mandatory e-learning training courses. The courses include a final test and enable staff to gain a practical understanding of the regulations, while ensuring continuous updating. The Group monitors, through dedicated tools, the completion rate of the courses and the pass rates of the related tests. In addition to the training content already prepared prior to 2024 and still available, a training event — the Compliance Talk Privacy — was organised in March for the Bank's top management, followed by its delivery in video format to all Group employees. A Board Induction session on the same data protection topics was also organised in March. Finally, two new digital courses were made available: the first, aimed at staff of the central functions, to increase awareness of data breaches by describing specific cases and, more broadly, what their management entails; the second, dedicated to staff of the Parent Company's Banca dei Territori division, outlining potential errors that may occur in branch operations, with a focus on the correct and compliant handling of data and the related sanction risks. For further information on mandatory training, see the "Training and Development" section.

ESRS S2 – Workers in the value chain

Management of sustainability matters related to workers of portfolio companies

Policies and processes related to workers of portfolio companies

The Group takes into account the ESG risks associated with the activities of corporate customers and pays particular attention to the in-depth analysis of sustainability matters connected to the credit granting process. To this end, general exclusion criteria have been established in order to prevent the financing of activities and/or projects with particularly significant social impacts. Specifically, the Group undertakes not to finance companies and projects if evidence emerges, such as penalties, legal proceedings and judgements, relating to human rights violations and forced or child labour practices. In formulating the internal guidelines on ESG risks, reference is made to the principles defined by international best practices and to the developments promoted and expressed by regulators and supervisory authorities at European and international level. In particular, inspiration is drawn from initiatives aimed at promoting the best sustainability practices in the banking sector which the Group has adhered to, including UN Global Compact, UN Environment Programme Finance Initiative (UNEP FI), UN Principles for Responsible Banking, UN Principles for Responsible Investment, UNEP FI Principles for Sustainable Insurance, and Equator Principles (EPs).

The Chief Risk Officer (CRO) Governance Area develops and maintains, in conjunction with other relevant structures, the Guidelines for the Governance of Environmental, Social and Governance (ESG) Risks and the related implementing rules and is responsible for the design, development and maintenance of the internal system for the management and assessment of the Group's reputational and ESG risks. For further information on these Guidelines, reference is made to the section "Strategy to combat climate change at portfolio level" in the ESRS E1 – Climate Change chapter.

The Group recognises the risk associated with investment, financing and lending services to customers in sectors that present higher social risks in their operations and/or supply chains and accordingly promotes ESG investments through which it can also play an active role in helping to mitigate social issues such as economic and social inequalities. Therefore, as emerged from the double materiality assessment, a negative impact linked to financing/investment in potentially less virtuous sectors/countries with regard to the protection of their employees' rights could entail a credit/market risk given the high concentration towards such sectors/countries. For further details on the impacts, risks and opportunities (IROs) covered by the policies relating to employees of portfolio companies, please refer to the IRO table set out in the paragraph “Materiality analysis” in the ESRS 2 – General disclosures chapter.

An ESG score was also introduced which also aims to evaluate the social profile of corporate customers[251] (including labour management and standards, health and safety at work, policies for the inclusion and enhancement of diversity and human capital development) and a dedicated ESG & Reputational Risk Clearing process was set up to assess these risks. For further information on the Risk Clearing process, reference is made to the section "Strategy to combat climate change at portfolio level" in the ESRS E1 – Climate Change chapter.

Given the context, positioning and operations of the Intesa Sanpaolo Group as one of the leading Italian and European financial institutions, it is currently complex to structure and apply a dedicated process for the direct involvement of workers employed at the companies in the Group's portfolios, or to provide them with specific reporting channels through which they can communicate to the Intesa Sanpaolo Group their concerns and any negative impacts suffered, as required by ESRS standards.

Currently, the engagement and any listening methods on sustainability matters related to the workers of such companies can be conducted by the Group through dialogue with the counterparty included in the portfolio.

Objectives and actions related to the workers of portfolio companies

The Group conducts activities and initiatives to support and monitor ESG issues, particularly with reference to social ones, which may include (with direct or indirect impacts) also the employees of its portfolio companies, paying particular attention to sustainability matters related to sectors that are sensitive to ESG and/or reputational risks. These projects are also conducted without the definition of quantitative objectives relating to the management of impacts and risks inherent to the workers of the portfolio companies, mainly due to the limited availability of quantitative information that allows to measure the effectiveness of one's actions. Similarly, with regard to (i) the qualitative and quantitative monitoring of the effectiveness of these actions and (ii) the allocation of specific resources dedicated to these issues, it is currently difficult to define targeted measures to support workers in the companies within the portfolio. However, potential forms of engagement and listening are envisaged through dialogue with the counterparties present in the portfolio.

[251] At the end of December 2025, the ESG score covers over 240 thousand Intesa Sanpaolo corporate customers.

ESRS S3 – Affected communities

Policies relating to the communities affected by own operations

The Group's commitment to community rights

The Group places great importance on projects that promote growth and social, educational, cultural and civic inclusion in the communities where it operates, thereby contributing to the development of more innovative and inclusive societies. Support for groups of disadvantaged people, young people, the community and the territory, together with the promotion of Italy's artistic, cultural and natural heritage, are fundamental elements deeply rooted in the Group's history and operating practices. The latter extends its commitment to human rights also within the communities, in particular with respect to the selection of beneficiary entities and the contributions that it intends to disburse and by promoting listening and dialogue with civil society. As noted in the paragraph "The Group's commitment to human rights" in the ESRS S1 – Own Workforce chapter, the formalisation of this commitment is set out in the Code of Ethics, in line with the Principles on Human Rights.

The Code of Ethics is the reference regulatory instrument with reference to relations with the local communities. In particular, the Code of Ethics and its principles are connected to the impacts and opportunities considered material for the Group. The principles recalled therein refer to the fulfilment of the material and cultural needs of the community and guide the Group's relations with local communities with respect to the following macro-areas:

- support for the non-profit sector to promote fair and cohesive social development, through a commitment to support social enterprises and non-profit organisations via partnerships aimed at delivering initiatives and intervention models across local communities in favour of disadvantaged groups;
- support to communities and their material and cultural needs through donations, sponsorships and partnerships, ensuring consistency with the reference values and corporate strategies, and enhancing the historical, artistic, cultural and natural heritage;
- promotion of local economies and strong roots in Italy and abroad, effectively supporting the territory, combining economic results and respect for local values, supporting small and medium-sized enterprises and promoting initiatives with high social and environmental value.

The principles of the Code of Ethics apply to the activities of the Group and concern interventions dedicated to local communities, disadvantaged people, young people, the community and the territory as well as relations with social enterprises and non-profit organisations (NPOs) - such as Volunteer Associations, Social Promotion Associations (APS), Foundations and Consortia - through co-planning and partnership activities aimed at activating projects and initiatives.

The Group promotes ongoing dialogue with organisations representing local communities, recognising their strategic importance for developing its activities in a sustainable manner. For this reason, it provides stakeholders with various channels and internal procedures to collect, analyse and address reports of alleged non-compliance relating to community rights, including those enshrined in the Human Rights Principles adopted by the Group.

Among these channels, the Code of Ethics inbox is available for reporting cases of possible non-compliance. For further information on the application of the Code of Ethics and the corresponding reporting channel, please refer to the section on "Policies, objectives and actions related to corporate culture" in chapter ESRS G1 – Business Conduct.

Social impact on the community

In implementing the general principles and values described above, the Intesa Sanpaolo Group plays an active role in supporting the local territories and communities in which it operates, through multiple tools, initiatives and programmes.

The Articles of Association of the Parent Company Intesa Sanpaolo provide for the option to allocate a portion of distributable profits to charity, through the establishment of a special fund, called the "Allowance for charitable, social and cultural contributions" (hereinafter, "Charity Allowance"), which is headed by the Bank's Presidency.

Furthermore, the Articles of Association grant to the Board of Directors of Intesa Sanpaolo, among other things, the power to intervene with donations within the framework of an annual plan of interventions to support worthy initiatives, in the event of emergency events or to support specific situations in the local territory. In accordance with the relevant clauses of the Articles of Association, the Board of Directors ensures the coordination of such disbursements, approving the general regulation thereof, also in accordance with the Group's attention and responsibility towards environmental, social and governance issues. The Board of Directors, with the support of the Risk and Sustainability Committee, also defines the general criteria and lines of intervention for charitable donations and performs all strategic supervision duties.

The disbursements in support of these initiatives extend both to the Italian territory and to the foreign countries in which the Group operates. Donations are intended for non-profit organisations, including religious and non-commercial public entities.

Intesa Sanpaolo, with the aim of positioning itself among the world leaders in terms of social impact, implemented its organisational structure to strengthen its intervention strategy in favour of the country, local territories and communities and set up Governance Areas to consolidate ESG activities and strengthen the ESG strategic direction. Within the Chief Sustainability Officer Area, the Chief Social Impact Officer Governance Area has been operating since 2024, overseeing, through Intesa Sanpaolo for Social Impact, the direction, governance and implementation of the Social Impact initiatives and projects carried out by the Group, ensuring the relationship with the main stakeholders and social players in coordination with the competent Group functions.

During 2025, the Board of Directors approved specific Group guidelines for the governance of social activities, a new governance document aimed at defining and formalising the management dynamics of social initiatives, in line with the Group's regulatory framework and guiding principles. These guidelines represent a tool to enable a consistent approach and unified, optimised management of social investments, while also fostering synergies within the Group. They identify Intesa Sanpaolo for Social Impact as the unit responsible for the strategic direction, coordination, monitoring and reporting of social activities at

Group level, alongside the units of the Governance Areas/Business Divisions and the Group Companies that promote social initiatives and oversee their implementation (so-called “Social Owners”).

In 2025, the Bank’s social initiatives followed the lines of intervention developed in 2024 within the Social Action Plan, which—starting from the Group’s social ambition—identified the courses of action aimed at achieving the defined objectives. The Plan's definition is based on the analysis and monitoring of the social context, current and latent needs, risks and emerging trends, and a set of social challenges identified also through ongoing dialogue and mutual exchange with the relevant stakeholders. Intesa Sanpaolo for Social Impact, in line with the Group's objectives, continued to develop its initiatives along the following 4 lines of action, called "Social Routes":

- combating material, financial and educational poverty and promoting access to employment;
- supporting access to health, care and treatment;
- promoting social integration, local development, the enhancement of unused assets and spaces and social housing;
- developing new social projects with public institutions and social players, transferring replicable and scalable skills.

The Social Action Plan, thanks to the 4 lines of action mentioned above, represents a plan of interventions in response to the impacts and opportunities considered material for the Group, with particular reference to the issues of "Adequate housing", "Adequate food" and "Impacts on the territory". The Plan's action areas concern multiple stakeholders and beneficiaries, including young people and minors, women, people in poverty, seniors, vulnerable people, communities, immigrants and refugees, and involve public institutions and various social players, including non-profit organisations. For further details on the impacts, risks and opportunities (IROs) covered by the policies relating to the communities affected by own operations, please refer to the IRO table set out in the paragraph “Materiality analysis” in the ESRS 2 – General disclosures chapter.

The responsibility for defining the Social Action Plan is entrusted to Intesa Sanpaolo for Social Impact, the structure responsible for the strategic supervision of the Group's social activities, which promotes initiatives in favour of the territories and local communities with particular attention to combating poverty and inequalities and defining strategies to support inclusive education and the employability of vulnerable young people and individuals. Intesa Sanpaolo for Social Impact also pursues the aim of spreading the social culture, ensuring the supervision and general direction of the impact finance governance process, coordinating the Group's commitment in the area of social housing, managing institutional relations with the players involved and implementing specific projects aimed at strengthening the Group's leadership position in terms of social responsibility. Supporting the implementation of the Social Action Plan is the Intesa Sanpaolo for Social Impact Observatory, whose role is to analyse and monitor the main current and emerging social scenarios, trends and needs, also with the aim of guiding the Bank’s social initiatives. The Social Action Plan and the resulting initiatives are subject to a dedicated enhancement and communication strategy through a multi-channel dissemination of the social culture inside and outside the Group, through a dedicated section of the website, social media, events and communication platforms of the partner network.

Charity Allowance

The Charity Allowance aims to provide support to the most vulnerable people and contribute to the achievement of the social objectives of the Intesa Sanpaolo Business Plan, also with a view to contributing to the achievement of the UN Sustainable Development Goals (SDGs) set by the UN 2030 Agenda for Sustainable Development.

The Charity Allowance operates on the basis of a Regulation and Guidelines. The Regulation, approved and issued in 2016 by the Board of Directors of Intesa Sanpaolo, governs the management of the Charity Allowance and defines the mechanisms for the selection of entities and projects, according to the principle of separating charitable initiatives from the pursuit of business interests. Only non-profit organisations, not involved in known legal disputes, in matters concerning organised crime and the failure to respect human rights, peaceful coexistence and environmental protection and whose reference values are consistent with those set forth in the Group's Code of Ethics, may access the resources of the Charity Allowance. The Regulation also excludes the following from the category of beneficiaries: private citizens; political parties, political movements and their organisational branches; trade unions and employers' organisations; regions, provinces and municipalities, except for specific initiatives of particular social, cultural or scientific significance.

With regard to the requests, only projects with a clear social impact are evaluated and the ability to achieve the declared objectives is reviewed through the analysis of the proposing entity's track record. Priority is given to requests with the best project structure, with the most significant results and social impact and with a more careful and effective use of resources.
Donations can be of different amounts and, depending on their purpose, are divided into two types:

- local donations, up to a maximum of 5 thousand euro, managed in a decentralised manner by the Banca dei Territori Division and provided to support small projects with a direct local impact, expressions of the community to which they belong;
- central donations, of an amount greater than 5 thousand euro, managed centrally by the Chair's Technical Secretariat and granted to medium-large projects, with a significant social impact.

The Guidelines identify the high-level strategic objectives and priorities that are intended to be pursued and define the thematic directions. They also identify some issues considered to be of particular importance and urgency with respect to current socio-economic problems, which are allocated a significant share (equal to at least 25%) of the resources that can be disbursed annually. The Guidelines are renewed every two years and are submitted to the Board of Directors for approval.
For the two-year period 2025–2026, the analysis was developed on the basis of authoritative sources, including studies and reports from Censis, Eurostat, ISTAT, and the Ministries of Labour, Social Policies and Health. To complement these analyses, six experts with recognised experience in supporting the most vulnerable groups in society were also involved. Their contribution made it possible to outline a clear and shared view of the country’s main socio-economic challenges and to define the priorities for intervention with greater precision.

In addition to the main areas of intervention—namely community-based healthcare welfare, the enhancement of the potential of Southern and Island Italy, and the social inclusion of migrants and refugees—the most significant developments compared with the previous two-year period also concern the following aspects:

- greater importance attributed to networking, namely the ability of applicant organisations to expand synergies and networks among different stakeholders from the public, private and third sectors;
- support provided to projects promoting inclusive amateur sport, including through central donations, provided that the initiatives are embedded within structured programmes that also include other actions aimed at addressing broader social challenges;
- the expansion of support for awareness-raising initiatives on issues such as gender-based violence, education on emotional relationships, and civic education, including environmental education;
- the possibility of supporting cooperatives and social enterprises from the moment of their establishment, provided there is strong co-financing from other donor or funding entities;
- the extension of financial support to costs related to capacity-building activities, namely actions aimed at improving the organisation's effectiveness, sustainability and long-term impact at all levels (including financial and human resources management, communication and advocacy);
- the introduction of new thresholds for impact assessment and the updating of the related cost-coverage arrangements, with the requirement to activate third-party verification starting from the first renewal (the second year of the project).

The Board of Directors periodically checks the use of the allocated resources and the convergence of the planned initiatives with the objectives undertaken. The selection of projects falls under the responsibility of the Chair of the Board of Directors (upon the proposal of the Chair's Technical Secretariat), following consultation with the Managing Director, for all initiatives exceeding 5 thousand euro and up to 300 thousand euro, while the Board of Directors approves initiatives exceeding 300 thousand euro. Finally, the Chair of the Board of Directors is responsible for monitoring all supported initiatives. Each year, the Annual Plan of usable resources is also submitted to the Board of Directors, which is subsequently approved by the Shareholders' Meeting. Part of the Plan's resources is allocated to the Banca dei Territori to support initiatives that are the expression of local communities and for an amount not exceeding 5 thousand euro each.
The share of resources allocated to the Banca dei Territori, following the approval of the Plan by the Board of Directors and ratification by the Shareholders' Meeting, is assigned for direct management to the Head of the Banca dei Territori who subsequently delegates the Regional Governance Centres concerned. The extract of the Regulations and the Guidelines of the Charity Allowance can be consulted on the Group's institutional website. On the same pages it is possible to find comprehensive information on the use of the Charity Allowance broken down by name and amount disbursed, with reference to the previous year.

Traditionally, the Charity Allowance concentrates most of its resources in Italy, supporting the communities where Intesa Sanpaolo operates through its branch network. The resources are distributed across all regions and, in particular, in the areas of greatest need: suburbs, internal areas and contexts characterised by degradation and marginalisation. The Charity Allowance also intervenes at an international level, supporting medium-large projects and giving priority to interventions aimed at the development of the communities and territories in which the Intesa Sanpaolo Group operates with its companies, including through collaborations activated by the International Banks Division (IBD). The Chair's Technical Secretariat also carries out coordination activities with the competent charity Functions and the autonomous Foundations of the IBD division to ensure the standardisation of principles, rules and reporting methods.

Commitment to culture

In order to regulate the protection, conservation and enhancement of the historical-artistic assets and archival assets owned by the Group, as well as those belonging to third parties, to ensure their public use and sharing with the communities of reference with the ultimate goal of enhancing the cultural heritage of the country and its territories, the Intesa Sanpaolo Group has adopted internal regulatory tools. In particular, the following were defined:

- internal rules to be adopted for the management of both movable and immovable artistic assets (for example, archaeological finds, paintings, sculptures, drawings, ancient books, frescoes, artistic stained glass windows, etc.), as well as for the management of assets of the same nature belonging to third parties in the event of loans and loans for use;
- internal rules for the definition of principles and directives to be adopted for the management of the company's archive assets (paper or digital documentation, photographic collections, etc.);
- internal rules for the management of events and sponsorships;
- internal rules for the management of cultural patronage.

The documents are drawn up in accordance with the current Italian legislation relating to Cultural Heritage and in particular with Legislative Decree 22 January 2004, no. 42 (Code of Cultural Heritage and Landscape); for companies within the scope of the international subsidiary banks division, reference is made to the specific national legislation. The principles and guidelines set out in the documents apply to historical-artistic and archival assets owned by the Group as well as to assets of the same nature owned by third parties in the event of loans, loans for use and restoration, while their implementation falls under the responsibility of the Art, Culture and Heritage structure within the Chief Sustainability Officer Governance Area.

Processes for engaging with the communities affected by own operations

The Group pays particular attention to the perspective of the communities concerned, promoting structured and ongoing dialogue and engagement with stakeholders and community representatives, including actors from the civil economy active in the relevant territories. All this in order to identify areas of intervention and initiatives with a high social, cultural and civil impact, with which to act in order to combat inequalities, to support young people and employability and, in general, to promote inclusive and sustainable development.

The Intesa Sanpaolo Group shapes its relationship with the community through opportunities for listening and dialogue with the various spheres of civil society. To this end, it is committed to:

- maintaining a constant channel of communication with organisations representing the interests of stakeholders and promoting structured dialogue with the aim of cooperating in relation to mutual interests;
- listening to and taking account of the expectations and proposals made by the various components of civil society;
- analysing needs and identifying areas of action with high social, cultural and civic impact for communities;
- developing actions consistent with the listening and dialogue activities carried out.

The Group's involvement of the communities is achieved directly through meetings, organisation of events and through the activation of collaborations, partnerships, listening campaigns and exchange of information with the main local stakeholders. The implementation of the initiatives takes place in co-planning with non-profit organisations, thanks also to their ability to intercept the current and latent needs of the local communities involved, to structure inclusive and sustainable solutions and intervention models. The Group supports these organisations by making available resources, skills and its network of relationships which give rise to collaborations and real solidarity ecosystems.

To this end, Intesa Sanpaolo for Social Impact relies on a dedicated "Observatory" tasked with identifying the main social trends, leveraging the contributions of key stakeholders (in particular academic and scientific partners and foundations), and accordingly guiding the Group's social actions. The effectiveness of the Observatory is further strengthened by the activities of the Advisory Committee, composed of senior figures from the Bank and external members of recognised authority and significant experience in the social sector. Responsibility for the process of engaging the communities concerned, including stakeholders from the public sector, the private sector and the third sector, is entrusted to the individual Group structures that promote and implement the initiatives.

Among the Observatory's initiatives, in October 2025 the "Youth Forum for the Social Sector of Intesa Sanpaolo" was officially presented, with operations set to begin in 2026. It is a body with both consultative and advisory functions, composed of 12 young people aged between 18 and 25 who have a strong interest in social issues, innovation and youth engagement. The Youth Forum was established with the aim of listening to, valuing and integrating young people's perspectives into the social impact strategies promoted by the Bank, through intergenerational dialogue with the Group's structures on issues such as social innovation, sustainability and inclusion, in line with Intesa Sanpaolo's social priorities.

Objectives and metrics related to the communities affected by own operations[252]

The Group's support to local territories and communities occurs through multiple methods, in terms of tools and initiatives. One initiative of particular importance is the "Cibo e Riparo per le persone in difficoltà" (Food and Shelter for disadvantaged people) programme. As the biggest plan ever to be activated by a private entity in Italy, it involves the widespread distribution of food, beds, medicines and clothing to people in need throughout national territory. In the four-year period of the 2022-2025 Business Plan, the programme consolidated its support action for the most vulnerable people, defining a new dimension of social intervention with multi-project and multi-stakeholder characteristics, and setting the target of implementing 50 million initiatives. To this end, a variety of profit and non-profit partners were engaged to reach as many beneficiaries as possible.

Target: Food and shelter for disadvantaged people programme – Meals, Beds, Medicines, Clothing (number of initiatives in millions)[253]		
	Date	**Value**
Baseline[254]	31.12.2021	-
Final number	31.12.2024	54.1
Final number	31.12.2025	68.2
Target	2025	50

The target of implementing 50 million initiatives was set by the Board of Directors of Intesa Sanpaolo in the preparation of the 2022-2025 Business Plan, and represented an evolution compared to the social intervention targets already set in the previous 2018-2021 Business Plan. The implementation of the Programme takes place through partnerships with non-profit sector entities of national standing and capable of reaching every area of the country. These entities are selected from time to time on the basis of the social needs identified by the Intesa Sanpaolo for Social Impact structures through scenario studies; a joint project aimed at developing targeted actions is subsequently defined with them. Generally speaking, the Group defines specific objectives in advance together with the entities involved at the level of each individual initiative and monitors their progress through periodic reporting formats agreed with each partner. During the target monitoring phase, non-profit sector entities are involved in the implementation of the initiatives and in reporting the impacts generated. Over 14 million initiatives were carried out in 2025. Overall, since the start of the Plan, the Group has completed a total of more than 68.2 million interventions, compared with 54.1 million recorded as at 31 December 2024, including 56.5 million food interventions, 4.6 million dormitory beds, 6.4 million medical prescriptions and 730,000 items of clothing. The initiatives conducted also involved activities in support of the humanitarian emergency in Ukraine resulting from the ongoing conflict.

The final figures highlight the full achievement of the target set for 2025—already reached in 2024—and its significant overperformance, with 18.2 million additional interventions compared with the initial objective. This result demonstrates the effectiveness of the initiatives implemented by the Group to support people in difficulty.

[252] The information relating to the "Food and shelter programme for people in difficulty" Programme indicator provided in this paragraph is also reported in the section "2025 in brief" – paragraph "The 2022–2025 Business Plan and the new 2026–2029 Plan" of the Report on Operations of the Consolidated Financial Statements.

[253] Entity-specific metric.

[254] Plan target that represents the planning of a new activity that does not have a base Value.

Actions relating to the communities affected by own operations[255]

The collaboration between Intesa Sanpaolo for Social Impact and non-profit organisations and non-profit sector entities arises with the aim of fostering community well-being, promoting inclusion and social cohesion through initiatives aimed at generating a positive impact. The Group thus demonstrates its commitment to inclusion by supporting projects that aim to combat poverty in its various dimensions, reduce inequalities and encourage youth employability, contributing – in general – to promoting sustainable and inclusive development, also through institutional initiatives. Through these actions, tangible support is provided to the communities involved, while contributing to strengthening the Group's reputation. The actions undertaken by the Group, described in the following sections, are divided into the following main areas:

- combating poverty;
- social cohesion and inclusion;
- youth education and employability;
- corporate volunteering;
- crowdfunding platforms;
- Charity Allowance;
- education and spread of financial culture;
- commitment to culture;
- institutional initiatives in support of the community.

Combating poverty

As part of the actions to combat poverty, the “Food and Shelter Programme for People in Need” promotes initiatives across the entire national territory through targeted actions aimed at supporting the most vulnerable communities. In particular, the programme targets children, the elderly, people in rehabilitation communities, individuals linked to the prison system, and people living in poverty, providing concrete support through the distribution of essential goods and the provision of basic services.

Meals

Food poverty is one of the most dramatic aspects for people in fragile and destitute conditions. Intesa Sanpaolo has taken action to combat it with a widespread network of initiatives aimed at helping communities with socio-economic difficulties, supporting the distribution of food and basic necessities to combat food poverty. To this end, Intesa Sanpaolo has entered into a partnership with Fondazione Banco Alimentare with the aim of strengthening and enhancing local networks in their ability to retrieve and distribute food products for local charities. The collaboration includes the “Ri-pescato” initiative, which involves the recovery and processing of illegal fish seized in Sicily by the Coast Guard, allocating it for distribution to charitable organisations. Furthermore, in support of the Business Plan objectives for the Programme, Intesa Sanpaolo collaborates with Fondazione San Patrignano by implementing the "Support and Prevent" project, which aims to guarantee the distribution of meals to people hosted in the community. In addition, to offer support to children with disabilities and serious illnesses, an active collaboration is in place between the Bank and Fondazione Dynamo Camp**,** aimed at ensuring free meals and beds for the children hosted at the Camp in the Tuscan territory who are offered recreational therapy courses, as well as a collaboration with Vidas ODV, aimed at offering free daily meals to the young patients and their families hosted at the Casa Sollievo Bimbi hospice in Milan. Finally, the Bank supports the project “Accogliere Insieme”, carried out in collaboration with City Angels, aimed at helping people in difficulty by providing beds, meals and support services for the homeless. Thanks to the implementation of the initiatives supported by Intesa Sanpaolo's collaborations for line of action dedicated to food security, in the 2022-2025 period these agreements enabled the distribution of 56.5 million meals. The Charity Allowance also contributes to the implementation of the Programme through its own resources, made available by the Intesa Sanpaolo Chairmanship; overall, 2.4 million euro was disbursed for the distribution of approximately 1.4 million meals in a year, equivalent to approximately 3,800 meals per day. The Charity Allowance activities in this area are not limited to the distribution of meals, but also include the implementation of a series of additional activities aimed at helping the beneficiaries achieve their final goal of lifting them out of poverty.

Beds

The initiatives aimed at providing beds developed and implemented by Intesa Sanpaolo aim to enable a structured intervention that provides dignified shelter, but is also able to guarantee better access to healthcare and support for caregivers. This area includes the afore-mentioned collaborations with Fondazione San Patrignano, for which Intesa Sanpaolo supports the provision of beds to people hosted by the community, as well as with the collaborations with Fondazione Dynamo Camp, Vidas ODV and City Angels, aimed at further supporting the facilities thanks to initiatives intended to increase the reception capacity for children and young people hosted there and for their families. Furthermore, in order to contribute to the development of support structures for people in difficulty, an active collaboration is in place with the association Di.Re – Donne in Rete contro la violenza (Women in Network against Violence), which supports women through their journey out of violence and promotes coordinated prevention and awareness-raising actions. For this initiative, the Group contributes to the reception and hospitality of women in the “Shelter Homes” of the Di.Re network by supporting the initial expenses for utilities and rent, as well as babysitting services during the search for a job or for the purchase of goods that can be used to start up work activities. These agreements ensured that 4.6 million dormitories/beds were made available in 2022-2025.

Medicines

Access to healthcare is a right to which every citizen is entitled, and this also forms the basis for Intesa Sanpaolo's coordination action with Banco Farmaceutico for the extension of a national network for the collection and distribution of medicines. To this end, the “Pharma Links” project, born from the collaboration between Intesa Sanpaolo and Fondazione Banco Farmaceutico, aims to create and strengthen drug collection and distribution networks throughout Italy by strengthening the “Recupero Farmaci Validi” (Recovery of Valid Medicines) intervention model, aimed at collecting unused drugs and medicines to donate them to local charities. Another objective achieved through the collaboration with Banco Farmaceutico was the strengthening of the

[255] The key information relating to initiatives for communities set out in this section is reflected in the section “2025 in brief” – paragraph “The 2022-2025 Business Plan and the new 2026-2029 Plan” of the Report on Operations of the Consolidated Financial Statements.

BFOnline platform, the foundation's management tool that underpins the drug collection and distribution process. These collaborations enabled the prescription of 6.4 million drugs in the 2022-2025 period.

Clothing

The distribution of items of clothing has become an opportunity to design a complex circular redistribution initiative to confirm the combination of sustainability and social issues. In this sense, Intesa Sanpaolo collaborates with Caritas Italiana and some of the Bank's corporate customers for the "Golden Links" project, an initiative aimed at the recovery and distribution of items of clothing, consisting of unsold items, returns, second choices, defective but usable products, to families suffering from financial hardship. A total of 730,000 items of clothing and other goods were distributed over the three-year period 2022–2025.

The effectiveness of the initiatives that make up the Programme is monitored on a quarterly basis through the reports received from the entities with which the partnerships are set up.

Social cohesion and inclusion

The Group values its support to the communities, including through initiatives aimed at developing local territories in favour of people in conditions of socio-economic fragility, with the aim of ensuring social cohesion and inclusion. The initiatives are concretely supported by Intesa Sanpaolo thanks to the financial support to non-profit sector entities and thanks to the co-planning and dissemination of know-how, in favour of needy people who are struggling to reach that minimum threshold of well-being and dignity that constitutes a right of all people. The effectiveness of the initiatives is periodically monitored by the Bank in synergy with the entities involved in the projects.

Numerous social cohesion and inclusion projects are being developed throughout the Italian territory, following the guidelines of the 2022-2025 Business Plan. In particular, several initiatives were implemented to combat the socio-economic poverty of the most vulnerable subjects. In this sense Intesa Sanpaolo, in collaboration with Caritas Italiana, supports the "Aiutare chi Aiuta (Helping the helpers)" programme aimed at supporting dioceses in promoting the social inclusion of the elderly and combating youth poverty by distributing meals, health kits and clothing. In 2025, Intesa Sanpaolo and Caritas Italiana strengthened their commitment to supporting young people and adults in the prison system, focusing this year on Italy's Juvenile Detention Centres and on young people subject to other measures of a criminal nature. The initiative includes the distribution of essential goods, the provision of vocational training to develop skills relevant to the labour market, and support for job placement programmes aimed at improving employability.

Still in the area of social inclusion, Intesa Sanpaolo is strongly committed to supporting children aged 0 to 36 months hospitalised in the oncohematology departments of the main hospital centres in Italy. In this context, in collaboration with the Social Cooperatives partnering with Consorzio PAN , the Bank developed and continues to support the "Intesa Sanpaolo educational programme for children who are long-term patients" by providing young patients with a nursery service, the first of its kind, aimed at helping children overcome the social and psychological isolation resulting from illness, heavy treatments and long-term hospitalisation, promoting their cognitive and emotional development through appropriate programmes followed by qualified educators, providing educational materials and initiatives to furnish the spaces. Overall, from the start of the programme to 2025, 936 children attended the nursery in the hospital facilities involved.

The Bank promotes the growth of inclusive communities by supporting the Comunità Amiche della Disabilità (Disability-Friendly Communities) project with the aim of defining the characteristics that make a territory inclusive for people with disabilities. The partnership includes support for the local extension of the project and support for the co-programming and strategic planning processes regarding the disability issue.
Concurrently, Intesa Sanpaolo is also committed on the national territory to combating energy poverty, that is, the situation in which a family unit is unable to pay for their primary energy services required to guarantee a dignified standard of living. In this context, in the Rione Sanità and in peripheral neighbourhoods of the city of Naples, the project "Sharing Energy - Rinnoviamo l'energia: produzione e distribuzione di Comunità" (Sharing Energy - Let's renew energy: production and distribution of communities) is active, which promotes the growth of a new model of energy sustenance, from renewable sources, with zero impact and low costs. The project also involves the creation of Solidarity Renewable Energy Communities (CERS) and the distribution of energy produced for free or at a highly regulated price to vulnerable people. In terms of urban redevelopment, the Bank developed the initiative "La Bella Piazza", aimed at combating social and urban abandonment and degradation through the activation of a process of regeneration, enhancement and care of public spaces in Piazza Garibaldi in Naples.

In response to the emerging critical issues regarding juvenile hardship and to promote the inclusion and development of positive behaviours in the area of civic education, the Group has activated "WeBecome". It is an educational programme aimed at primary school children that develops learning pathways on various topics designed to promote educational inclusion, through training modules for parents, teachers and school leaders intended to prevent the onset of childhood difficulties by strengthening the transversal skills needed to live in a constantly changing context.

In light of the persistence of a macroeconomic scenario of strong uncertainty and instability that further aggravated the fragile condition of a significant portion of Italian households, and the housing emergency for students living away from home, Intesa Sanpaolo implemented an action plan to strengthen social housing that entails, over the 2022-2025 Business Plan, the promotion of new homes and beds in student halls of residence. The initiative undertaken by the Bank is one of the most extensive social housing programmes in Italy and is one of the tangible initiatives for inclusion and the reduction of inequalities. Its effectiveness has been monitored throughout the implementation phase through an assessment of the underlying economic commitment and managerial effort in terms of attracting investors and project development. For this purpose, new partnerships were launched with leading operators in the sector, which gave new impetus to the "MilanoSesto" project, the largest infrastructure development initiative for quality of life in Italy, which involves the implementation of programmes for subsidised, unrestricted social construction work (for approximately 27,000 sqm), in synergy with the creation of the "Città della Salute e della Ricerca" (City of Health and Research) under the leadership of the Lombardy Region, as well as commercial businesses,

offices and an urban park. Intesa Sanpaolo also provided significant financial and advisory support for the project of the former Porta Romana railway station in Milan where the Olympic Village was built, which will later become one of the largest social housing projects in Europe, with 1,700 subsidised beds.
Furthermore, in the 2024–2025 period Intesa Sanpaolo further strengthened its support for the development of student housing through investments in the iGeneration and Pitagora funds, managed respectively by InvestiRe SGR and Finint Investimenti SGR, as well as in the infrastructure development initiative for quality of life managed by Redo SGR at the Montelungo–Colleoni Barracks in Bergamo, which will enable the creation of more than 4,800 student beds.

Youth education and employability

Intesa Sanpaolo is committed to supporting the community through initiatives dedicated to the training and job placement of people in situations of social or economic vulnerability. These initiatives are aimed in particular at young people from low-income families who have difficulties accessing quality education and employment, and who are therefore more exposed to the risk of social exclusion and poverty.
The aim is to support and relaunch the school system, promoting inclusive education, guidance for school-age children and the prevention of school dropouts. This approach intends to ensure equal learning and job placement opportunities for all new generations, regardless of their socioeconomic background, gender and abilities, and to promote a culture of respect and enhancement of diversity.

During the year, the Bank developed several initiatives and projects in this direction throughout Italy, in accordance with the objectives and principles of the 2022-2025 Business Plan. Intesa Sanpaolo directly supports these initiatives by providing both resources and its own know-how and expertise. In particular, such support is ensured by promoting collaboration between the profit and non-profit sectors, as well as by making available educational materials, skills, contents and tools to implement new educational and training approaches, aimed at the social and professional integration of young people and vulnerable people.

In this context, to combat the youth unemployment phenomenon and train the profiles that are most sought after by the job market, the “Giovani e Lavoro” initiative continues. The programme was born from the partnership between Intesa Sanpaolo and Fondazione Generation Italy ETS, a McKinsey & Company non-profit foundation, and is aimed at matching job supply and demand in the most sought-after sectors (Hi-Tech, Precision Mechanical Industry, Sales, Hotel and Catering and Renewable Energies) and providing training courses nationwide, entirely supported by Intesa Sanpaolo, to young people aged between 18 and 29 who are neither studying nor working to develop their technical, attitudinal and behavioural skills, guaranteeing companies, including corporate customers, a pool of trained people to fill the positions that are most needed. Since 2019, the year the programme began, the following results have been achieved (data as at the end of 2025): around 5,600 students trained or currently in training (more than 700 of whom during 2025), around 2,500 companies involved, and a youth placement rate of over 80% after completing the programme.

To address situations of social, economic and family hardship affecting young NEETs (Not in Education, Employment or Training)—that is, those who are not studying, working or participating in training programmes—and to promote their inclusion in the labour market, the Group is active with “In Action ESG NEET”, an initiative launched in 2022. Through dedicated training pathways, the programme aims to respond to the growing demand for professionals working in the fields of care, social assistance and high-quality educational services. So far, the initiative has involved 295 people across the regions of Tuscany, Campania, Lazio, Puglia, Molise and Sicily, for a total of 6,914 hours of classroom and on-the-job training. Each participant also completed a curricular internship at social, healthcare or educational facilities. According to the available data, 47% of participants found employment and/or resumed an educational pathway within 12 months of completing the programme.
To further strengthen its commitment to tackling youth unemployment, Intesa Sanpaolo has joined the ZeroNeet challenge promoted by Fondazione Cariplo, in collaboration with the Lombardy Region, with the ambitious goal of supporting 20,000 young NEETs over the next four years in Lombardy and in the provinces of Novara and Verbano-Cusio-Ossola (areas in which the Foundation operates), helping them to build a pathway towards employment activation. Within the framework of this collaboration, Intesa Sanpaolo’s “Giovani e Lavoro” programme has been fully integrated into the ZeroNeet initiative and its areas of operation, in order to make available the skills, methodologies and experience developed over the years.

Similarly, since 2024 Intesa Sanpaolo has been working with key social-sector organisations to promote labour inclusion and the social integration of the most vulnerable people. To this end, the Bank has offered and supported programmes aimed at people with physical and cognitive disabilities, as well as migrants and refugees, with the goal of strengthening their skills and fostering their integration through training and employment.

To further support talented young university students whose career potential is limited by external factors other than their own abilities, the “Generation4Universities” project, developed by Fondazione Generation Italy and McKinsey & Company with the support of Intesa Sanpaolo, offers talented university students a training programme focused on cross-cutting, behavioural, attitudinal skills and individual mentorship, as well as a two-week bootcamp with targeted sessions on employability and professional vocation seminars held by Managers and Executives of leading companies. Now in its fifth edition, the initiative involved 90 students, 69 universities and 18 partner companies in 2025. The Bank works to combat early school leaving and supports young people in making choices about their future, including through its own training initiatives and in collaboration with local entities such as Music Innovation Hub and Manager4Education.

Intesa Sanpaolo’s commitment to helping reduce reoffending among former prisoners is implemented through vocational training programmes, also delivered with the involvement of people from within the Group. At the same time, the Group promotes a culture of legality in schools through a project developed in collaboration with the associations Quarto Savona 15 and Vento e Vertigine.

The pilot phase of the “FUTURA” Programme—an initiative by Save the Children, the Forum Disuguaglianze e Diversità and Yolk, in collaboration with Intesa Sanpaolo—aimed at tackling girls’ educational poverty and school dropout, has been

completed. The project operated in socially and economically disadvantaged areas, offering personalised training pathways to young women—including young mothers—aged between 13 and 24, aimed at obtaining an educational qualification and/or supporting their re-entry into the labour market. To this end, 350 educational plans were activated, of which 50 were dedicated to young mothers. The evaluation plan assessing the impact on the participants' educational pathways and empowerment is currently being finalised, developed with the contribution of a Scientific Committee. The tool is designed to measure the skills acquired and aims to make the methodology tested during the first two years reproducible and scalable at a national level.

In 2025, the Group also continued its support for the Istituto Mater Dei dell'Ordine delle Figlie della Carità di San Vincenzo de' Paoli for the project "Ecosistema Educativo per i giovani e le famiglie di Napoli Nord (Educational Ecosystem for Youth and Families of Northern Naples)", aimed at tackling educational poverty in the outskirts of Naples and in neighbouring municipalities (Caivano, Casoria and Salicelle). The objective is to promote the recovery and social inclusion of young people aged between 13 and 25 through the creation of educational hubs and vocational schools that support the labour market integration of young people (NEETs) who have left education prematurely, in an area characterised by high school dropout rates, limited employment opportunities, and situations of economic poverty and crime. In particular, in 2025 the Group contributed to supporting the completion of the renovation works at the educational hub in Casoria, the set-up of classrooms and laboratories, and the purchase of several minibuses for student transport. The Group also contributed to the refurbishment and expansion (including the creation of four new modern and functional classrooms, laboratories and shared facilities) of the Mater Dei Vocational Training Institute building in Naples – Chiaia, which has been operational since October 2020. This latest intervention will enable the launch of a new vocational course that will allow a further 100 students to enrol, bringing the total number of enrolments across the two educational hubs to 500, as confirmed by monitoring carried out by the Mater Dei Institute.

In 2025, the project "Orizzonti in Azione – Doti educative per apprendere, sperimentare e coltivare passioni (Educational Endowments to Learn, Experiment and Cultivate Passions)" was launched, an initiative promoted and implemented by Save the Children in co-planning with Intesa Sanpaolo. The programme was created with the aim of tackling child poverty, both material and educational, through the provision of "educational grants", namely goods and services intended for children and young people living in conditions of socio-economic vulnerability and/or social exclusion. Activated in 16 "Punti Luce"—Save the Children's socio-educational spaces located in disadvantaged neighbourhoods across 13 cities in 12 different regions—the project promotes the right to education and supports the development of transversal skills, enhancing individual aspirations through personalised pathways (e.g. sports, arts, language, IT or music courses). Educational grants also enable beneficiaries to access new opportunities for personal growth and socialisation, such as study trips, school outings or summer camps. The initiative includes an impact evaluation process conducted ex ante, in itinere and ex post by a specialised organisation, in order to rigorously measure the results generated in the local areas and among the beneficiaries.
Thanks to the support of Intesa Sanpaolo, the project plans to provide around 2,700 educational grants to the same number of minors over the three-year period 2025–2027, of which 755 were awarded in 2025, offering concrete support for their educational and personal development.

At the same time, Intesa Sanpaolo renewed its commitment to tackling educational and child poverty in the outskirts of Milan by supporting, in collaboration with Save the Children Italia, the new Punto Luce Gallaratese. The project includes co-design activities and financial education initiatives aimed at mothers and families in vulnerable conditions and/or at risk of social exclusion, as well as programmes dedicated to children and young people to promote the responsible use of digital tools. In this context, through "Donare per non sprecare", the initiative through which the Bank makes available furniture and hardware that are being decommissioned but are still functional, the Group donated five laptop computers to support the centre's educational and training activities.

Intesa Sanpaolo also supports the growth of the Third Sector through capacity-building initiatives, providing tools and skills to strengthen its operational effectiveness and long-term sustainability. In this context, in 2025 the commitment continued with the second edition of the Executive Master for Third Sector operators, delivered in collaboration with 24ORE Business School. The programme provides 30 scholarships each year and addresses key topics such as digitalisation and technological innovation.

Corporate volunteering

As part of its commitment to supporting communities, the Group promotes volunteering activities aimed at strengthening corporate solidarity and generating tangible impact in the territories in which it operates. Within this framework, the fourth edition of the Volunteering Week took place in November, organised in collaboration with non-profit organisations. The initiative included four themed days made up of multiple activities, including support for the elderly, assistance in a day centre for former drug addicts, preparation of food parcels, management of a food rescue market, and moments of dialogue with adolescents. In particular, employees at the Head Office of the International Banks Division (IBD) were able to freely choose the activities they wished to take part in, contributing in a tangible way to the wellbeing of the community and strengthening the value of corporate solidarity.

In addition to these community-based volunteering experiences, the Group has launched its first Skills-Based Volunteering programme, a specific form of corporate volunteering that leverages and makes available—during working hours—the professional skills of the Group's people for the benefit of projects and initiatives run by Third Sector organisations or their beneficiaries. This programme, which complements other traditional volunteering activities, aims to further amplify the positive social impact of the Group's actions and also represents an opportunity for personal and professional enrichment for the people involved. In 2025, the first pilot project was launched in collaboration with the Fondazione AIRC for Cancer Research. In this context, five people from the Group involved in development programmes made their skills in Project Management, Recruiting and Training available, working alongside the Foundation's staff to review and structure certain processes in these areas. Looking ahead to the next steps, the Skills-Based Volunteering programme will be further developed through additional collaborations with other organisations and through the creation of a digital platform designed to promote the programme and facilitate the collection of applications.

Crowdfunding platforms

To offer a direct contribution to the implementation of social initiatives proposed by non-profit sector local entities, the Group promotes various fundraising tools.
In this sense, Intesa Sanpaolo's For Funding platform confirms, also in 2025, its leading role in Italy's crowdfunding sector, promoting the collection of donations for non-profit organisations across the country. The projects supported on For Funding cover various areas of intervention, including environment and ecology, culture and sport, diversity and inclusion, health and research, and social support. The use of the platform takes place upon request from non-profit organisations. Applicant NPOs follow a well-defined and structured selection process, which involves the relevant local branch and the Impact Credit and Risk Management structures, both of which carry out thorough due diligence before the initiatives are published on the platform. Customers and donors can contribute through the Crowdfunding platform's website and the Intesa Sanpaolo app. Customers are informed about the fundraising campaign through the Bank's various channels (for example, direct email marketing, push notifications, in-app messages, ATMs, etc.). Intesa Sanpaolo covers 100% of the operational costs of the fundraising campaign, ensuring that donations are free of charge. The duration of the fundraising initiatives on For Funding can be customised, based on the specific needs of each supported project. The For Funding activity is supported by the Formula programme, also accessible via the platform, which offers direct support for specific needs in favour of local Italian communities and stand-out projects at a national level. Every four months, with the involvement of Intesa Sanpaolo Regional Governance Centres and with the technical support of Fondazione CESVI, a minimum of 13 non-profit organisations that carry out significant initiatives in their territory are selected. These organisations, together with CESVI, develop a targeted project and, thanks to fundraising on the For Funding platform receive the necessary support to achieve tangible objectives at a local level. Participation in the Formula programme is also an opportunity for participating NPOs to increase their capacity for planning and reporting initiatives, also thanks to the technical support provided by CESVI. In 2025, For Funding raised a total of approximately 8.6 million euro in donations. Approximately 6 million euro of these funds was allocated to the Formula programme. To ensure the success of the campaigns, non-profit organisations are required to provide detailed reporting on the progress of their initiatives, while an impact tracking process is in place to evaluate the results achieved. The initiatives contribute directly to the needs of the communities, increasing the Group's support in the local territories where it operates.

Charity Allowance

The Chair's Technical Secretariat assists the Chair in the planning, implementation and monitoring of the Charity Allowance's initiatives through a dedicated office (Charity Allowance Office) made up of 8 resources. Furthermore, within the Banca dei Territori Division, Charity Representatives (23 people) have been identified who assist the Heads of the Regional Governance Centres in the evaluation and selection of initiatives up to 5 thousand euro. In terms of time commitment, the donations provide support for a period of one year and can be renewed – even non-consecutively – for a maximum of three years. Save for exceptional circumstances (e.g. pandemic), the duration of the project cannot exceed 18 months from the start date communicated to the Charity Allowance, which can be extended to 24 months for medical research projects.
In 2025, Intesa Sanpaolo's Charity Allowance disbursed approximately 24.3 million euro to support 872 projects carried out by non-profit organisations. Overall, about 1.6 million direct beneficiaries were reached (net of medical research projects).
There are three main lines of action for 2025, closely linked to issues aggravated by the health, economic and social crisis of recent years, to which approximately 34% of the total disbursements have been allocated:

- community-based healthcare welfare;
- enhancing the potential of Southern and Island Italy;
- social inclusion of migrants and refugees.

Community-based healthcare welfare projects were aimed at providing equitable and inclusive healthcare assistance, leveraging both traditional and innovative resources to reach those most in need. These initiatives benefited people without a health card, young people and the elderly in vulnerable conditions, patients with neuromotor, sensory or cognitive disorders, and individuals facing socio-economic hardship. Support was provided to community-based centres offering free and easily accessible healthcare services, initial psychological support points, and mobile units delivering check-ups and medical visits in areas far from hospital facilities. Alongside these services, innovative cognitive stimulation programmes and non-pharmacological therapies were also introduced, together with rehabilitation activities and home care assistance programmes. Territorial proximity played a central role in these initiatives, ensured by specialist figures such as the community nurse, engaged in active prevention, monitoring and patient support. From a technological perspective, particular attention was given to the use of virtual reality and the strengthening of telemedicine—tools that make it possible to provide remote consultations and specialist visits, facilitate access to diagnostic tests, and monitor clinical progress even outside hospital facilities. An equally important aspect concerned support for caregivers, enabling them to acquire the skills needed to carry out their caregiving role and to maintain a balance between caring for themselves and for their family member. Overall, the most effective interventions proved to be those adopting a holistic approach, aimed not only at treating the symptoms of illness but also at addressing the practical, social and psychological needs of the entire family involved in the care pathway.

At the same time, the initiatives aimed at enhancing the potential of Southern and Island Italy developed along several directions, all sharing the objective of combining social inclusion, territorial growth and sustainable development. The initiatives aimed to create employment opportunities for young people, particularly those living in vulnerable conditions, through training pathways and placement in productive activities linked to local traditions and innovation. Culture was also promoted as a tool for social regeneration, through projects that transformed spaces and shared assets - including those confiscated from organised crime - into places of creativity, participation and legality. Great attention was also devoted to the education and training of younger generations, through programmes aimed at tackling school dropout and educational poverty, strengthening transversal skills, and fostering growth in strategic fields such as environmental sustainability, digital technologies and scientific disciplines. This approach made it possible to enhance local resources while at the same time fostering the development of communities that are more inclusive, dynamic and future-oriented.

Initiatives aimed at the social inclusion of migrants and refugees seek to strengthen opportunities for integration and to counter conditions of marginalisation. The initiatives addressed the employment dimension through training pathways and placements

in strategic sectors; internships, career guidance activities and workshops on labour rights helped facilitate more informed and lasting integration. To enable migrant women to participate in training and employment pathways, childcare support measures were also provided. At the same time, interventions aimed at identifying and protecting victims of labour exploitation and illegal gangmastering were strengthened, including temporary housing solutions and income support measures. Language training and intercultural mediation also proved essential—key tools for facilitating access to services, education and the labour market. Particular attention was given to people in situations of greater vulnerability. In this area, refugee women who have survived gender-based violence or have been victims of trafficking have been able to benefit from protection pathways, legal support, and psychosocial and healthcare assistance. At the same time, women in situations of severe marginalisation, including transgender people, have benefited from semi-independent accommodation services. Finally, from an educational perspective, the projects supported migrant students and families through initiatives aimed at strengthening relational and technical skills, fostering self-determination and psychological wellbeing, as well as encouraging participation in school and community life.

The Charity Allowance also supported projects related to other social issues, such as the prevention of and fight against gender-based violence, support for young NEETs (Not in Education, Employment or Training), disability, inclusive amateur sport, and cultural initiatives characterised by their social impact.
As regards medical research, 9 projects were supported (total donations of 1.3 million euro) by leading national institutions. The initiatives in this area were selected with the help of external experts who draw up detailed assessment sheets on qualitative and quantitative elements such as objectives and methodology, impact, research team and budget. With regard to social research, total donations of 424,000 euro were allocated to support five studies on: extortion and usury in several major Italian cities; labour exploitation in agri-food supply chains; methods to combat sexual abuse of minors; the management of vulnerabilities among asylum seekers and beneficiaries of international protection within the Italian reception system; and the use of psychoactive drugs among young people outside a medical prescription.

Collaboration with the International Banks Division continued with approximately 1.6 million euro disbursed (approximately 57% of the international donations) in the countries included in the Division's scope.

The resources allocated to the initiatives planned during 2026 will be submitted to the Board of Directors with the 2025 Consolidated Financial Statements and subsequently approved by the Shareholders' Meeting.

The checks carried out on the completed projects returned an overall positive picture: most of the entities achieved and, in some cases, exceeded the objectives set, actively involving the reference communities in the development of the initiatives and expanding the local networks. The beneficiaries of the initiatives are in line with those expected at the project submission stage. Numerous collaboration networks between private social, institutions and other key players (schools, social services, etc.) were started or consolidated, evidence of the acquisition by the local territory of the experiences activated and guarantee of the sustainability of the initiatives over time.

The impact of the supported projects is significant, in terms of employment generated, social inclusion, influence on public policies and regeneration of the territories in which they are located. Below are some examples:

- The volunteer organisation IOM Jesi e Vallesina provided integrated support to 91 women with oncological conditions in Jesi, in the province of Ancona, through the opening of a multifunctional centre dedicated to addressing the different needs that may arise during the course of treatment. All participants reported an improvement in psychological wellbeing, with reduced anxiety and feelings of loneliness, as well as strengthened self-esteem. The relational and communication impact was also positive, thanks to the creation of meaningful connections among the participants and the active involvement of their families. The project came to an end in March 2025; it was then renewed for a second year;
- The Aliseo Association of Turin worked to address problematic alcohol use among young people, with the aim of increasing awareness of the risks associated with abuse, facilitating access to treatment pathways, and supporting and guiding families. In the second year of the project, the organisation reached more than 3,500 young people and over 2,000 key adult figures. In addition to the partnerships already established in the first year with the Addiction Services of the Local Health Authorities (ASL) in Turin and in several other cities in Piedmont, further collaborations were activated with other public bodies and Third Sector organisations managing primary and secondary prevention projects. The social impact evaluation found that 80% of participants experienced an increase of over 50% in psycho-physical wellbeing, greater awareness of consumption behaviours, improved relational and decision-making skills, and a gradual reconnection with family and friends, along with greater participation in social life. The project, in its second year, came to an end in May 2025; it was then renewed for the third and final year;
- The Conchiglia Association launched a project in Mesagne, in the province of Brindisi, to support the social and labour inclusion of NEET mothers, involving 150 women. Career guidance services, skills assessment and individual counselling were provided, along with training workshops on work–life balance and economic independence, as well as a work–life reconciliation service from which 200 children benefited. 90% of the participants reported increased awareness of their own situation, and 56% reactivated their job search. The project generated a significant impact on the municipal library, transforming it into a social hub for families, and received prestigious recognition by winning the regional “No Gender Gap 2025” award as a best practice in the Third Sector category. The project came to an end in June 2025; it was then renewed for a second year;
- the Mosaico Association organised a theatre workshop for 25 young women detained at the “Capanne” prison in Perugia, with the aim of initiating a pathway of empowerment and psycho-physical wellbeing capable of reducing the distance between prison and the wider community. The final performance held within the correctional facility was attended by 124 members of the public. The initiative received full appreciation from the Director of the correctional facility and was granted the patronage of the Umbria Region. The project came to an end in June 2025; it was then renewed for a second year.

The project deadlines were mostly met, with the exception of physiological delays in the launch of the initiatives in the first year of operation and in the case of medical research, for which extensions are often requested to allow the publication of the results achieved.

Some additional difficulties were encountered in the implementation of international cooperation interventions in difficult socio-political contexts, which were overcome thanks to the ability of the institutions to reorganise themselves by leveraging a long-standing presence on site and a solid network of relationships woven in the reference territories. The monitoring and reporting activities confirmed the proper use of the donation by the beneficiary.(Minor) budget adjustments during the implementation of the activities have always been agreed with the Charity Allowance.

Education and spread of financial culture

Museo del Risparmio (Savings Museum) is an innovative space where it is possible to become familiar with the concepts of saving and investing with a clear and simple language, in order to improve the level of financial literacy of the people to whom it is addressed. This is not a traditional museum, but rather an edutainment project that facilitates learning through play. Founded in 2012 in Turin, thanks to the financial support of the Intesa Sanpaolo Group, of which it is part, it was a pioneer in the spread of financial education in Italy, so much so that it was the first museum in the world dedicated to this topic. Its mission is to help people consciously manage their personal finances and consequently improve their overall well-being level, counteracting situations of poor financial literacy that often contribute to a much wider phenomenon of social exclusion. During 2025, the Museum's educational initiatives reached over 154,000 users.

The Savings Museum promotes social and educational inclusion through the dissemination of financial literacy, delivered through a wide programme of educational initiatives designed for both children and young people as well as adults, who can participate individually or in groups through schools or third sector organisations.
The main actions put in place consist of the preparation of financial education contents and initiatives, implemented through thematic guided tours, educational workshops, modular and structured training courses, and dissemination events held at the physical headquarters of the Savings Museum in Turin and online.

Following the introduction of mandatory financial education in school curricula, a catalogue of basic financial education programmes has been developed for primary and secondary schools:

- "EduFin&Fun" for primary and secondary schools, consisting of three meetings during which to explore the history and functions of money, elements of personal budget management and safe use of the Internet and the first online purchases;
- "School and Work Training Pathways" (formerly PCTO): a range of basic financial education modules designed for upper secondary schools, which classes can select and combine according to their specific needs;
- "A Window on the World" pathway: a cycle of six monthly introductory webinars designed to provide young people with the basic knowledge needed to approach the economic world in an informed way.

Overall, in 2025 a total of 416 classes—equivalent to more than 8,000 students—took part in the "School and Work Training Pathways" (formerly PCTO) programmes.

In addition to guided tours and structured learning pathways, the Savings Museum offered classes from primary and lower and upper secondary schools a programme of 27 educational events, organised on a monthly basis and designed to promote basic financial literacy in a playful yet rigorous way. Using formats inspired by edutainment and cross-disciplinary approaches, the events also addressed topics such as cybersecurity and digital safety, artificial intelligence and cryptocurrencies, human capital and the circular economy.
Among the most significant events were the meeting with physicist and science communicator Vincenzo Schettini ("L'economia che ci piace" (The Economy We Like)), attended by over 10,300 students from upper secondary schools; the new four-part series "Edufin and Literature", designed to analyse the economic issues underlying some literary masterpieces of the past; and the series of online webinars for primary schools led by For and Mica, the mascots of the Savings Museum, which attracted more than 30,200 participants.
A total of approximately 8,400 children and young people participated in in-person activities and over 124,000 were involved in remote learning activities, always accompanied by a tutor, for a total of 2,266 hours of training provided.

Support activities for teachers also continued, through webinars dedicated to providing tools and methodologies for delivering financial education in the classroom in an innovative and engaging way, such as "Economia. Una chiave per il futuro (Economics. A Key to the Future)", which seeks to transform the teaching of economics into a tool for the personal and professional growth of young people, and "AI a scuola: uno strumento per crescere e orientarsi (AI at School: a tool for growth and orientation)", focused on the potential of artificial intelligence to support learning and foster young people's entrepreneurial mindset. Particular attention was also given to interdisciplinary connections, with webinars dedicated to links with neuroscience and to financial education from a sociological perspective.

Outreach activities were also offered to an adult audience, with a programme of 65 digital and blended events that reached more than 11,200 people and generated over 448,000 on-demand views during the period considered.
Among the new initiatives, the following are worth mentioning:

- "Da regina della casa a Money Queen (From Queen of the Home to Money Queen)": a three-part programme designed to provide tools to help women manage the choices that affect their financial wellbeing at different stages of their lives;
- "Risparmia per un sogno (Save for a Dream)": a cycle of four live events designed to demonstrate how conscious money management can transform from a simple sacrifice into an extraordinary opportunity, through the stories of four figures from the worlds of entertainment, music, lifestyle and sport;
- "Debito facile, vita difficile (Easy Debt, Hard Life)": a training module aimed at preventing over-indebtedness.

Meetings to support parents also continued through the "Giovani al centro (Young People at the Centre)" series, promoted together with MOIGE (Movimento Italiano Genitori), as well as training programmes for adults, including "Score Your Goal (Fai Meta)", open to anyone wishing to acquire the basic skills needed to make informed economic decisions, and "Warm Up Your Muscles (Riscalda i Muscoli)", aimed at young people aged between 18 and 35 who hold the National Youth Card.

Since 2017, the Museum has set itself the goal of designing pilot initiatives specifically aimed at segments of the population which, for various reasons, can be considered socially vulnerable, such as women, migrants, prisoners, students from disadvantaged backgrounds, and people with mild cognitive disabilities. The main activities to support the development of financial education among the most socially vulnerable categories included:

- "Welcom-ed": dedicated to migrants and foreign students from the Provincial Centres for Adult Education (CPIA) and to the youngest people of the Communities to raise their awareness of basic financial terminology, simple budgeting and planning techniques and the operation of the most widespread financial instruments;
- "Prometti di prenderti cura di te (Promise to take care of yourself)": designed to provide women victims of violence with the basic economic knowledge and skills needed to achieve economic independence. In particular, in 2025 a collaboration agreement was signed with the Puglia Region, under which the Savings Museum trained 60 staff members from anti-violence centres operating across the region, enabling them to provide basic financial education to the women they support.
- "LEI" and "Logos": a programme for female inmates at the end of their sentence and ex-inmates designed to enhance their opportunities in the job market in the perspective of leaving prison and to prevent the phenomenon of recidivism.

In 2025, the Savings Museum contributed to the asset-building programmes WILL and PERCORSI, promoted by the Ufficio Pio of the Compagnia di Sanpaolo to support low-income families and students residing in Turin and the Metropolitan City, with the aim of encouraging investment in educational and academic pathways. Within these programmes, around 650 parents and 500 students took part in a series of basic financial education sessions.
Overall, in 2025, the training activities of the Savings Museum aimed at vulnerable people reached approximately 2,030 individuals.

In addition to training and information initiatives, the Museum regularly prepares new content and formats hosted at its physical location, or transmitted via its website and social networks. The aim is to reach all segments of the public in the most widespread way possible, conveying financial education concepts with a simple and engaging language.
In 2025, in particular, the following initiatives were developed:

- "Money money: un toc di economia (Money Money: A Touch of Economics)": an eight-episode video series recorded in reel format and shared on the main social media platforms, in which the Director of the Museum explores economic and financial topics of potential interest to users;
- "Non solo parole: educare al denaro con l'esempio e il dialogo (Not Just Words: Educating About Money Through Example and Dialogue)": a format developed with the support of a psychologist, aimed at promoting an educational approach capable of fostering awareness and responsibility in financial management;
- "Arco e Iris in Estremo Oriente (Arco and Iris in the Far East)": a new tale from the "Le favole di Arco e Iris (Arco and Iris Fables)" series, designed to introduce the features of the most common payment instruments and the purpose of a current account;
- "Al Museo con For e Mica (At the Museum with For and Mica)": a format designed to engage children and families at the Savings Museum through activities led by the mascots For and Mica.

The digital publications are also made available in printed format on the occasion of specific events or project initiatives organised by the Museum.

The Museum's initiatives and educational formats have a predominantly national geographic reach. However, some specific educational initiatives ("Money Master Challenge", "SAVE Ambassador", "Cybersecurity Labs") are also offered in other European and non-European countries through the Financial Literacy International Network (FLITIN), the network of Financial Education ambassadors belonging to the 11 international banks of the Intesa Sanpaolo Group. The initiatives are aimed at the entire community, but modulated according to the specific needs of the different groups of beneficiaries: children, young people, adults, schools, families, socially vulnerable groups (for example, migrants, women victims of violence, prisoners and ex-prisoners, young people at risk of dropping out of school, people with cognitive disabilities, etc.). The actions are planned on an annual basis and following the calendar of the reference school year. Overall, FLITIN activities reached more than 12,400 students, representing an increase of 98% compared with the previous year.

The actions developed by the Savings Museum are based on scientific surveys aimed at exploring the needs in terms of financial literacy of the different population targets. Every year the Savings Museum develops surveys in collaboration with public and private research centres, the results of which guide the design and provision methods of the training activities and lead to scientific publications in international journals. The latest survey, which was released in November 2024, explores how optimism (or hope), happiness, and planning skills influence peace of mind when dealing with personal money issues.
Lastly, the Museum is active in the exchange of good practices and in discussions in specialised national and international fora such as the "National Committee for Financial Education" and the "International Federation of Finance Museums" (IFFM).

Commitment to culture

Intesa Sanpaolo supports the communities and territories in which it operates through a series of initiatives aimed at protecting and enhancing the historical, artistic and cultural heritage of both the country and the Group, primarily for the purpose of its public enjoyment for the benefit of the communities. In this perspective, the Bank has created the "Progetto Cultura (Culture Project)", a programme of activities conceived and implemented in dialogue with public and private, national and international entities and institutions, with which Intesa Sanpaolo expresses its direct and tangible commitment to promoting art and culture in the territories in which it operates, in the awareness of the strategic role of culture in promoting more innovative, sustainable and inclusive societies. The Project is made up of different initiatives, starting from "Gallerie d'Italia", considered one of the most important private museums in Europe. Through the Culture Project, the Group devotes significant effort to the management of its art collections and the materials held in the Bank's Historical Archive, with the aim of making them accessible to the public. The "Restituzioni" programme is also active, contributing to the protection and enhancement of the country's artistic and architectural heritage in collaboration with the local entities of the Ministry of Culture responsible for its safeguarding. Finally,

through the Progetto Cultura, the Bank supports partnerships, sponsorships and grants with the aim of creating a network of collaboration with public and private players, both national and international, that promote the country's cultural heritage. Progetto Cultura, in addition to bringing positive effects to the local communities in which Intesa Sanpaolo is present in terms of enhancing the history, traditions and cultural identity, also represents a tangible opportunity for the Bank by increasing the trust of its stakeholders in the Group and contributing to the achievement of the objectives of the 2022-2025 Business Plan. Indeed, the initiatives of "Progetto Cultura" are developed according to a multi-year programme in accordance with the 2022-2025 Business Plan.

Gallerie d'Italia

One of the main components of "Progetto Cultura" is "Gallerie d'Italia", the Intesa Sanpaolo museum hub resulting from the transformation of historic buildings owned by the Bank into museums open to the public to share the corporate collection, exhibitions and initiatives of cultural and social value, linked to the territory and communities. The project involves 4 locations: Milan, Naples, Turin and Vicenza. Overall, in 2025 Gallerie d'Italia welcomed around 750,000 visitors and hosted 18 major exhibitions in partnership with national and international institutions, ranging from the Vatican Museums to the Bibliothèque Nationale de France and National Geographic Society. The exhibitions are aimed in particular at showcasing artistic movements and authors from the regions where Gallerie d'Italia are located, while the photography exhibitions in Turin—created on commission—explore topics related to ESG themes. Among these were: the major exhibition on Neoclassicism in Milan; an in-depth exhibition on seventeenth-century women artists in Naples; in Turin, the exhibition by photographer Carrie Mae Weems, focused on the fight against racial and gender injustice; and finally in Vicenza, the project by Cristina Mittermeier on the relationship between humans and nature and the protection of the planet. Around 5 thousand free educational visits and workshops were organised, with 109 thousand children and young people participating from local schools of all levels and age groups: the broad and structured educational proposal offers interactive and engaging experiences, with the aim of bringing the youngest audiences closer to art, making them acquire greater awareness of the artistic and cultural heritage value and of belonging to a common history. The Gallerie also play an active role in the inclusion and attention to people exposed to situations of vulnerability, from the promotion of the rights of people with disabilities (physical, mental, cognitive and linguistic), to the inclusion of refugees and citizens from other countries and cultures, to attention to the issues of mental health and diseases with a strong personal and social impact such as Alzheimer's and Parkinson's: in the year, around 750 courses were designed for people with disabilities or exposed to situations of vulnerability, with around 9,700 participants. Among the numerous cultural initiatives, 60 free meetings were held as part of the public programme #Inside, to delve deeper into the themes of the hosted exhibitions. Furthermore, the Gallerie d'Italia App is active in the four locations, an innovative digital guide thanks to which users are able to access an "advanced" visit experience, with free audio and video content.

Art assets

Intesa Sanpaolo demonstrates a strong commitment to the care and enhancement of the Group's art collections, made up of 40 thousand works, which represent one of the most important corporate collections in Europe in terms of size and quality. The works are subject to constant protection, conservation, research and enhancement activities. In 2025, the sharing of the collection took place not only at Gallerie d'Italia, but also through the loan of 336 works to 65 exhibitions in Italian and international museums (ranging from the Vatican Apostolic Library to the Manly Art Gallery & Museum in Sydney). In particular, mention should be made of the loan of the corporate collection masterpiece The *Martirio di sant'Orsola* by Caravaggio, for the major exhibition Caravaggio 2025 at the Palazzo Barberini, part of the National Galleries of Ancient Art, organised in Rome during the Jubilee year. Among the international loans (specifically in countries where the Group's international banks operate), two exhibitions are worth mentioning that featured exclusively works from Intesa Sanpaolo in the cities of Luxembourg and Bucharest. 4 loans were signed for a total of 88 works entrusted to local entities (such as museums and foundations) and 257 maintenance and restoration interventions were carried out. Finally, dialogue continued on enhancing—particularly in Italian territories of strategic importance for the Group—collection holdings with strong identity value for local communities, in collaboration with local institutions, primarily banking foundations (such as in Pistoia with Fondazione Caript, in Arezzo with Fondazione Ivan Bruschi, in Mirandola with Fondazione Cassa di Risparmio di Mirandola, and in Jesi with Fondazione CR Jesi).

Restituzioni

Within the framework of Progetto Cultura and in collaboration with the bodies of the Italian Ministry of Culture responsible for the protection of cultural heritage, Intesa Sanpaolo has supported and managed the Restituzioni programme since 1989, dedicated to the restoration and enhancement of the national heritage. In 2025, the closing exhibition of the 20th edition of the programme was held at Palazzo delle Esposizioni in Rome. The edition involved the restoration of 128 artworks from all 20 Italian regions (including one case of international collaboration between Italy and Belgium), belonging to 67 institutions such as museums, churches, places of worship and archaeological sites. The restorations were carried out in collaboration with 51 heritage protection bodies of the Italian Ministry of Culture, involving more than 60 restoration laboratories and hundreds of art historians. For 36 years, the Restituzioni project has promoted an Italian excellence—the restoration of works of art—with the aim of "returning" to communities historical and artistic assets—now more than 2,200—that belong to the country's history and collective identity.

Historical archive

"Progetto Cultura" also manages the Group's Historical Archive, one of the first and most important bank archives in Europe, a valuable heritage for reconstructing not only the history of the Bank, but also the history of the entire country. The archival activity involves over 20 linear kms of historical documentation and includes, among the photographic funds, the Publifoto Archive, which is subject to extensive activities for its protection, conservation, digitalisation, inventory, cataloguing and promotion, with the main objective of improving public access to the sources, also through the most advanced digital technologies (such as the innovative open format LinkedOpenData). The Archive also offers a portal dedicated to the consultation of digitalised documents. Among the results achieved in 2025 were the digitisation of around 80,000 pages of paper documentation (bringing the total number of digitised pages to over one million, some of which are available online) and the creation of more than 20,000 new catalogue records as part of inventorying projects (to date, tens of thousands of records have been compiled and made available online). Research and enhancement projects also continued, including collaborations

with other archives and institutions (such as the Progetto Egeli, carried out with Fondazione 1563, dedicated to documents relating to the confiscation of Jewish assets in 1939–1945). Educational activities also played an important role, aimed at bringing university students and students from other levels of education closer to the Archive and its documents. With regard to the Publifoto Archive, 6,288 additional photographs were digitised (bringing the total number of digitised images to around 65,000, of which approximately 35,000 are available online). In terms of cataloguing, 6,200 new records were created. It should also be noted that, in collaboration with the Istituto Centrale per il Catalogo e la Documentazione, an initial set of 35,000 photographs from the Publifoto Archive has been integrated into the government portal of the photographic collections of the Italian Ministry of Culture (the Bank is the first private partner on the Ministry's photography portal).

In addition, initiatives are carried out around the art collections and archival assets owned by the Bank in collaboration with other Bank structures that directly involve the Group's people, with particular reference to the issues of accessibility, inclusion, diversity enhancement, multiculturalism and multidisciplinarity (Art & People project).
The production of original content on the websites and social media of Gallerie d'Italia and the Group also continued to enhance access, promotion and sharing of the assets owned, exhibitions and initiatives of Progetto Cultura.

Partnerships, sponsorships, donations
The Bank supports artistic, cultural, social and educational initiatives through collaborations alongside public and private organisations, in which its contribution often also takes the form of sharing and co-designing content, spaces and relationships, within a network-based approach aimed at strengthening the shared objective of promoting the country's cultural heritage. In 2025, these synergies included projects developed together with various banking Foundations, including Compagnia di San Paolo, Cariplo, Cariparo, CR Firenze, CR Forlì, CR Cuneo and Caript. The Bank also participated as a main partner in national and international fairs and exhibitions, such as Miart in Milan, Artissima and the Salone Internazionale del Libro di Torino in Turin, the Holy See Pavilion at the Venice Biennale of Architecture, and Rome Art Quadriennale. Festivals promoting art, archival heritage, photography and music were also supported, such as Archivissima in Turin and the International Festival of Photography in Cortona. The Bank also played a significant role in the co-production of exhibitions, such as the Christmas exhibitions organised by the Cities of Milan and Vicenza, as well as in joint projects with Fondazione CR Cuneo, Fondazione CR Firenze, and Fondazione Costruiamo il Futuro. In terms of safeguarding public cultural heritage, the Bank supported several initiatives through the Art Bonus mechanism, including the development of the new premises of the GAMec museum in Bergamo, the reconstruction of the church in Amatrice damaged by the earthquake, the renovation of the inner courtyard of the Museo Egizio, the creation of a Cittadella della Formazione for the IATH Academy in Cernobbio, and the restoration and architectural redevelopment of major complexes such as the Teatro Alessandro Manzoni in Pistoia and the spaces of the Biblioteca Palatina in the Complesso Monumentale della Pilotta in Parma.
An active and ongoing dialogue is maintained with numerous prestigious museums across the country, a relationship that translates into joint initiatives, loans of artworks, and support for activities and projects, including through forms of cultural patronage. Among these collaborations are those with La Grande Brera, the Museo Poldi Pezzoli and the Veneranda Biblioteca Ambrosiana in Milan, as well as with Palazzo Strozzi in Florence, the Galleria Borghese, the Gallerie Nazionali di Arte Antica, and the Galleria Nazionale d'Arte Moderna e Contemporanea in Rome.
At the international level, Intesa Sanpaolo enhanced its partnership activities by supporting major projects, such as the exhibition dedicated to Sienese art at the National Gallery in London.

During 2025, the Bank also promoted numerous institutional initiatives in collaboration with leading cultural organisations and institutions, with the aim of bringing younger generations closer to music, reading, art and culture. Among these are the "Un libro tante Scuole" project of the Salone Internazionale del Libro di Torino, dedicated to promoting reading in Italian schools, and a research and training project aimed at photography students of the Istituto Europeo di Design. In the field of music, several initiatives were promoted, including the MusiCasanova training project for students of the Istituto Comprensivo Casanova-Costantinopoli in Naples, and the advanced training programme Esperienza Orchestra, developed in collaboration with the Orchestra Filarmonica del Teatro Regio di Torino and aimed at young musicians.

Higher education and enhancement of cultural professions
Intesa Sanpaolo promotes training and skill development projects in the arts and culture, with a particular focus on young people, in recognition of the potential of cultural heritage, also as a driver of economic and employment growth. In 2025, the fifth edition of the executive course of Gallerie d'Italia Academy, "Management of Artistic and Cultural Heritage and Corporate Collections", was held. The programme—developed in collaboration with Fondazione Compagnia di San Paolo, Fondazione Cariplo, the Fondazione Nazionale Scuola dei beni e delle attività culturali (established by the Italian Ministry of Culture) and Fondazione 1563 per l'Arte e la Cultura—involved 30 students and around 50 lecturers, including academics from Italian universities, professionals, cultural and corporate managers, and museum directors and officials. The course was delivered through 162 hours of in-person and webinar-based teaching and included the provision of 14 scholarships for participants under the age of 35. The Bank makes its museum venues (Milan and Turin) available to host students for in-person lessons, while also providing the expertise and know-how of its professionals and of the museum institutions with which it collaborates. The Bank also provides continuous training opportunities and networking events for cultural professionals through the "Alumni di Gallerie d'Italia Academy" community. In this context, a Masterclass on the theme of Artificial Intelligence in the cultural sector was held, attended by 30 students.

Research and innovation projects
During 2025, research and innovation projects continued in collaboration with internal and external stakeholders of the Group, particularly focusing on the measurement of the impact of the Progetto Cultura, the Gallerie d'Italia, and, more broadly, museums and cultural institutions within their cultural, social and economic contexts. For example, it is worth mentioning the project on the social impact of four museum institutions—Fondazione Brescia Musei, Castello di Rivoli Museo d'Arte Contemporanea, Museo e Real Bosco di Capodimonte, and Gallerie d'Italia—promoted by Intesa Sanpaolo for Social Impact, in collaboration with ALTIS Advisory – Università Cattolica del Sacro Cuore and LAMA Società Cooperativa.

A further collaboration to highlight is that with Società Editrice Allemandi (acquired at the end of 2024 by Intesa Sanpaolo together with Fondazione 1563 per l'Arte e la Cultura of the Fondazione Compagnia di San Paolo and Fondazione CR Cuneo), which manages the publications of Gallerie d'Italia.

Institutional initiatives in support of the community

Intesa Sanpaolo also strives to respect its own ethical, cultural and social values in its partnership and sponsorship initiatives, by selecting projects capable of conveying messages in line with the image and reputation of the Bank and the entire Group, not only in economic terms but also in civil, cultural and social terms.
The main areas of intervention in 2025 concerned culture, environment and sustainability, dialogue with the production fabric, social inclusion, sport and health promotion.

Social solidarity

Intesa Sanpaolo, in addition to being the driver of the country's economy, is an institution that sets out to make a real social contribution to the community in terms of inclusion. Some of the main initiatives include the Group's support to the Costruiamo il Futuro (Let's Build the Future) Award, which supports small non-profit sector organisations in Lombardy, engaged on a daily basis in the inclusion and training of young people through sports and social life. In its over 20 years of activity, the award has supported more than 1,000 non-profit sector associations and entities. The Bank is a member of Fondazione Severino and Fondazione Tender To Nave, both active in combating inequalities and prejudice. The "META INSIEME" project offers opportunities for redemption to juvenile detainees through sport. In parallel, Intesa Sanpaolo promotes "About Women", a cycle of discussions on the role of women in society and in the workplace, held within the framework of the Venice International Film Festival, with a focus on issues such as the gender pay gap and gender discrimination in professional contexts.
Finally, Intesa Sanpaolo supports the travelling exhibition of the art collection of Progetto Genesi, committed to defending human rights through the promotion of cultural diversity and environmental protection, and which has chosen contemporary art as the main field and instrument of its social and cultural engagement.

Environment

Intesa Sanpaolo is committed to building a sustainable future for the environment, young generations and an inclusive society, promoting initiatives such as: the collaboration with Fondo per l'Ambiente Italiano (Italian Environment Fund (FAI)) for the "I Luoghi del Cuore" project and the support to the Sustainable Economy Forum promoted by Fondazione San Patrignano. Furthermore, it supports the One Ocean Foundation for the protection of the oceans and the Daje de Alberi Association for the reforestation and urban regeneration of the city of Rome.

Health

Intesa Sanpaolo collaborates with organisations, foundations and healthcare institutions to promote healthy lifestyles and provide free medical prevention services to the community. Among the main initiatives, the Bank supports Friends for Health Onlus and other Italian healthcare excellences involved in the implementation of Tennis & Friends, an event that combines health, sport and solidarity, offering free health check-ups. Intesa Sanpaolo also supports Fondazione Rava N.P.H. Italia Onlus to raise funds for the NPH Saint Damien paediatric hospital in Haiti. Among other initiatives, sport is taking on an increasingly important role as a common good and collective heritage to be protected and shared. Among the most significant examples are the collaboration with CORRI LA VITA, a sporting event created to help women affected by breast cancer and to fund projects for prevention, early diagnosis and treatment, and the Wembrace Project, conceived by the Art4sport Onlus for children and young people with limb prostheses, promoting the practice of Paralympic sport. The Bank also supports the activities of Special Olympics Italia and those of Insuperabili Onlus, an organisation present across the country with 17 football schools dedicated to people with disabilities.

Education and research

Intesa Sanpaolo places great attention on young people and their right to education, training and access to the job market, investing in the right to education and research. Among the main initiatives, it is worth mentioning the support for 42Firenze, an innovative, inclusive and free programming school designed to develop technical and relational skills that respond concretely to the expectations of the job market, and the Young Factor project, promoted by the Osservatorio Permanente Giovani-Editori to promote financial education in schools and introduce young people to current economic issues. These projects aim to develop talent, combat school dropout rates and expand employment opportunities for young people.
Intesa Sanpaolo also supports the HOP Project, aimed at lower secondary school teachers of mathematics, science and technology. The programme is promoted by Fondazione Agnelli together with CERN and the Istituto Nazionale di Fisica Nucleare, and seeks to improve Italian students' learning of physics through an experimental approach.

Finally, the Intesa Sanpaolo Group supports, as a Premium Partner, the 2026 Winter Olympics and the 2026 Winter Paralympics. This initiative reflects the Intesa Sanpaolo Group's commitment to supporting the country and its economic, social and cultural dimensions, as well as the Bank's alignment with the values that characterise the 2026 Winter Olympics and the 2026 Winter Paralympics—fair play, respect for the rules, discipline and merit—which are fully consistent with its corporate culture.

IBD Division initiatives

In order to respond to the growing needs expressed by the territories in which the Group operates, the International Banks Division (IBD) actively supports local communities, with particular attention to the most vulnerable segments of the population. The commitment undertaken is consistently expressed through the promotion of social inclusion, the fight against youth educational poverty, support for the healthcare sector, and the protection of artistic and environmental heritage, primarily through the important initiatives carried out by Nadacia VUB, the Vseobecna Uverova Banka Foundation in Slovakia, and by Intesa Foundation, Banca Intesa Beograd Foundation in Serbia.

In 2025, through Nadacia VUB, projects in Slovakia were supported with a total of 325,000 euro. The Foundation directed its support towards the protection of artistic and cultural heritage, environmental protection, and social solidarity activities.
Among the various social impact initiatives, the programme “Every Child Has a Chance” is also noteworthy in 2025, supporting organisations that work with disadvantaged children and families. In the field of initiatives aimed at protecting artistic heritage, the “Rescue of the Gothic Route” programme continues, a five-year project dedicated to the restoration of five Gothic churches. Nadacia VUB also awarded the annual "Atlas" Award, aimed at recognising and highlighting the distinctive contribution of six non-profit organisations working in support of the environment.

In Serbia, Intesa Foundation provided more than 1.1 million euro in support of initiatives in the fields of education, healthcare, social welfare, environmental protection and women’s empowerment. Of this amount, 240,000 euro was invested in projects aimed at promoting financial education for the elderly and the school inclusion of vulnerable children and young people, including children with disabilities and those from marginalised communities. A further 324,000 euro supported the strengthening of hospital services and assistance provided to minors and women undergoing treatment, as well as to their families. In addition, 240,000 euro was allocated to projects supporting people with disabilities or in situations of severe vulnerability, with a particular focus on developing skills useful for entering the labour market. Finally, 223,000 euro contributed to initiatives promoting the wellbeing and autonomy of women victims of violence through psychological counselling, vocational training and financial literacy programmes. In addition, 2025 marked the launch of the first environmental initiatives, with 116,000 euro allocated to projects carried out by organisations such as WWF and Food Bank Vojvodina, focused on restoring biodiversity and reducing food waste.
Project monitoring, aimed at verifying their effective implementation and the achievement of the predefined impact objectives, is carried out through ongoing dialogue with the organisations and local structures involved. The initiatives implemented provide targeted responses to the social needs of communities in the areas of healthcare, education, social inclusion and environmental protection, while also representing an opportunity to enhance the Group’s reputation in the territories where it operates.

ESRS S4 – Consumers and end-users

The Group's commitment to human rights

The Group believes that a proper relationship with customers is grounded in the sharing of corporate values and in respect for human rights, across all types of products and services provided to customers.
By virtue of the provisions set out in the Code of Ethics, the Group places great importance on the continuous development of dialogue with customers, in order to better understand their expectations while safeguarding their security, as well as the protection of their assets and information. The Group bases its relationship with customers on the principles of fairness and transparency, with particular attention to the financial inclusion of the most vulnerable social groups.
To this end, the Group undertakes to:

- systematically develop dialogue tools, to gather suggestions from customers, consumer associations and associations representing specific categories of customers;
- ensure timely feedback on queries and complaints;
- protect people, valuables and assets, and information resources, including their digital identity, and adopt internal measures designed to ensure the provision of a service meeting the highest standards of reliability, continuity and confidentiality;
- consistently observe transparency criteria in informing customers about their privacy rights and how their personal information is processed;
- not discriminate against customers on the basis of gender, gender identity and/or expression, emotional-sexual orientation, marital status and family situation, age, ethnicity, religious belief, political and trade union affiliation, socio-economic status, nationality, language, cultural background, physical and mental condition or any other characteristic of a person, including those related to the expression of their thoughts;
- identify customer needs and risk profiles also for the purposes of offering advice, services and products, in the knowledge that they play a key role in investment assistance, prudent management of savings, and responsible lending, in addition to offering insurance protection.

As outlined in the paragraph "The Group's commitment to community rights" in the ESRS S3 – Affected communities chapter, the Group provides stakeholders with various channels and internal procedures for collecting, analysing and addressing reports on cases of possible non-compliance in relation to consumer and end-user rights, including those enshrined in the Human Rights Principles adopted by the Group. Among the above-mentioned channels, the Code of Ethics mailbox is available for reporting alleged breaches, in addition to the possibility for customers to submit a complaint through various methods and communication channels. For further information on the Code of Ethics reporting channel, please refer to the section on "Policies, objectives and actions related to corporate culture" in chapter ESRS G1 – Business Conduct.

Service Quality - Customer satisfaction and responsible sales

Policies on customer satisfaction and responsible sales

In line with the above-mentioned principles set out in the Group's Code of Ethics, the systematic listening to customers' needs and perceptions represents a fundamental value for the Group. Furthermore, to foster a holistic approach to listening, customer feedback is integrated and enriched with feedback from employees.
Accordingly, Group methodological standards have been defined and formalised in a regulatory document outlining the activities for measuring customer satisfaction, the propensity to recommend the Bank, and the perceived quality of services. Among the key principles guiding this document are methodological consistency at Group level, continuous improvement, and the adoption of best practices. The formalisation of shared and cross-cutting standards ensures consistency, comparability and methodological robustness in the listening process. The above-mentioned document applies to all business contexts in which a customer satisfaction measurement system is in place, or where one is intended to be activated and structured. Each organisational unit retains responsibility for defining the operational methods and details according to its specific business and organisational characteristics, thereby combining methodological consistency with alignment to the particularities of different contexts.

In a context of correct and transparent relationships between intermediaries and customers, the Intesa Sanpaolo Group makes the information it provides to its customers clear and comprehensible in all stages of their relationship through the simplicity of its language, transparent policy statements, and consistent terms and conditions among the various documents relating to the same products/services.
The main offer documents, drawn up in line with the clarity and intelligibility requirements, can be found in branches and also on the Group's official website, under the "Banking Transparency" section. These include product and service information sheets, specific guides and information documents on the conditions offered to all type of customers. Respect for customers' rights at all stages of the contractual relationship is also ensured through organisational measures and checks on compliance with customer protection regulations and through behaviours based on transparency and fairness both in the placement phase and during the performance of the relationship.

In the area of investments, the Group has chosen to adopt a service model based on advisory services. As regards transactions relating to financial products or investment services, personalised recommendations are made in line with the customer's financial profile. In this sense, Group personnel are bound by a specific set of rules relating, in particular, to the provision of the advisory service and other investment services, which identify the conduct to be maintained and the safeguards applied in the provision of the advisory service to customers and other investment services. These rules are applied by Intesa Sanpaolo and, where relevant, are adopted by the other companies within the Group's national perimeter. They are issued by the Board of Directors upon proposal of the Chief Compliance Officer Governance Area through a process of alignment with all the Group's main organisational structures.
Furthermore, these rules were drafted to be consistent and in line with the European Directives and the Italian laws transposing them. Lastly, these rules are available for consultation by employees and key stakeholders on the "Legislation" portal, which can be accessed via the Group's intranet.

After the entry into force of the MiFID II Directive and European regulations in the area of investor protection, the regulatory infrastructure was strengthened in order to provide investors with higher levels of protection and increased transparency in negotiations on the financial instruments markets. On the basis of the provisions of the main Italian and European regulations on this topic, the Intesa Sanpaolo Group provides for obligations in terms of the governance of financial instruments, knowledge and expertise requirements for the Group's personnel responsible for providing investment services and ex ante and ex post information on the costs, charges and incentives of the products and services available. The model was further refined to introduce a new survey profile on sustainability preferences aimed at verifying the consistency of the percentage of ESG financial products/investment services with respect to the sustainability preferences expressed by customers during the profiling phase, which include, in addition to the minimum percentage of the portfolio to be allocated to investments aimed at meeting these preferences, the possibility of further implementing them in compliance with the provisions of ESMA[256] 's "Guidelines on certain aspects of the MiFID suitability requirements". In addition, the Group's processes have been supplemented in order to make available to staff and customers specific information relating to the sustainability of the investment instruments and, consequently, the reports periodically sent to customers have been supplemented with information regarding the preferences expressed and regarding the composition of the portfolio in terms of sustainable products.

Within the Group, new products and services and any subsequent changes to them, as well as their distribution models, are subject to the Product Governance process, in order to assess their characteristics, risk aspects, clarity of presentation and the value conveyed, with a view to ensuring the highest level of protection for the end customer. To this end, the Board of Directors—upon proposal of the Chief Compliance Officer Governance Area—has issued specific guidelines for the approval of new products, services and activities aimed at a defined customer target, applicable across the entire Group. Through a structured framework of regulations and process guidelines—adapted to the individual entities—these guidelines identify the key principles and define responsibilities, roles and the main processes adopted in the ex-ante assessment of risks, safeguards and controls. Within this framework, the Product Governance Committees ensure that products and services intended for a specific customer target—whether developed by the Group or by third-party providers—are assessed and approved in line with the needs of customers and local economic realities, with particular attention to vulnerable individuals. The involvement of the relevant functions—including Compliance, Risk Management and the Data Protection Officer—ensures that the solutions are fair, responsible, sustainable and monitored over time, including from an ESG perspective.
The Product Governance process is subject to ongoing review by the Compliance function, which assesses both the substantive and formal compliance with internal and external regulations, as well as the underlying evaluations expressed by the relevant organisational units. This process makes it possible to accurately manage and oversee the individual stages in the life cycle of products or services subject to validation—namely concept, feasibility analysis, clearing, approval and post-sale monitoring—which allows verification over time of their consistency with the parameters of the relevant market and the predefined characteristics.

The regulations issued by the Bank of Italy, Consob and IVASS govern the management of customer requests and provide for specific reporting obligations on the part of the responsible function within the Group, with the aim of reporting to the corporate bodies and the authorities themselves - at least once a year - on the overall situation of complaints and other requests received, as well as on the adequacy of the procedures and organisational solutions adopted.
In addition to the requirements set out in the above-mentioned regulations, the Group has adopted specific guidelines on the management of complaints, reports to supervisory authorities and appeals to Alternative Dispute Resolution bodies, which apply across the entire Group.
The management of customers' requests is inspired by principles of transparency and fairness and is based on the verification of the circumstances reported by the customer and of the conduct of the personnel involved, aiming for the effective resolution of disputes, within the time limits prescribed by law. The guidelines, which are available in the "#Legislation" section of the corporate intranet, are issued by the Parent Company's Board of Directors and then implemented by the Group Banks and Companies, which adopt the necessary regulations to implement them, taking into account applicable local and sector-specific regulations. The Group's official website provides information on how a customer can lodge a complaint and the maximum timeframe in which the Group undertakes to provide feedback to the customer. The resulting assessments and determinations are based on the applicable external and internal rules and regulations and on the principles expressed in the Group's Code of Ethics.

For further details on the impacts, risks and opportunities (IROs) covered by the policies relating to customer satisfaction and responsible selling, please refer to the IRO table set out in the paragraph "Materiality analysis" in the ESRS 2 – General disclosures chapter.

Customer engagement processes

The Group has adopted a service model focused on specific business areas, supported by an organisational structure that ensures oversight both in Italy and in the foreign countries where it operates. The objective is to ensure the highest quality of service through the use of multiple channels, making the commercial offering increasingly effective and aligned with the needs of different customer segments. Customer satisfaction and the quality of the service provided are constantly monitored and overseen by the Customer Satisfaction and Customer Experience structures operating within the various business divisions, supported by a central function dedicated to fostering cross-functional synergies and ensuring methodological and process consistency.
Specifically, to ensure a high level of customer satisfaction, the Banca dei Territori Division has developed a comprehensive feedback collection system, able to identify areas of improvement at an early stage and take concrete action aimed at the continuous optimisation of the customer experience. This system is based on key tools such as:

[256] European Securities and Markets Authority.

- NPS (Net Promoter Score[257]): measures the customer's willingness to recommend the Bank to others, thus providing a concise indication of the level of customer loyalty towards the company.
- INS (Net Satisfaction Index): an indicator designed to measure the level of customer satisfaction both at key moments of the customer experience and in relation to the use of products and services held.
- SEIok Programme: provides concrete support for the continuous improvement of the level of service offered to customers and contributes to the determination of the Variable Performance Bonus for the Network.

In line with these listening processes, initiatives are promoted with the aim of supporting customers in the use of digital channels and services and of offering dedicated assistance also in the event of service disruptions. Intesa Sanpaolo also promotes digital education and awareness initiatives through webinars and information sessions aimed at exploring topics related to banking services, payments and online security.
In addition, customers can also contact the Group through the complaint channels provided in the specific "Complaints and Dispute Resolution" sections of the Group's app and official website, as well as in the information sheets provided to customers and in the written agreements (e-mail address, certified e-mail, ordinary mail, fax). The handling of complaints, the drafting and updating of these documents and the website contents are governed by specific internal regulations.

Within the framework of relations with consumer representatives, the Consumer Association Relations structure manages institutional relations at both national and regional level with the 20 consumer associations recognised in Italy through a Framework Agreement, which provides for periodic meetings with the Group's top management on topics of shared interest, such as products and services, transparency, conciliation – Alternative Dispute Resolution (ADR) – and financial education. During 2025, five plenary meetings were held focusing on the Bank's technological innovation in its relationship with customers and on financial education. In addition, the Framework Agreement also provides for the implementation of specific projects:
- Mettere in Comune Competenze programme, which in 2025 included three meetings aimed at training the national and regional representatives of the associations;
- Quick Start programme, focused on transparency in communication with customers;
- Quick Training programme, focused on customers' digital education and training, which included three events held across local areas with a total of 120 participants;

Dialogue with consumer associations also takes place through the receipt and resolution of reports concerning critical issues that may give rise to legal and reputational risks for the Bank. Finally, an agreement is in place with these associations for the resolution of the main disputes between the Bank and its customers through the Alternative Dispute Resolution (ADR) mechanism of joint conciliation.

Remediation processes and channels to submit complaints

Complaints are handled by means of a dedicated IT procedure, which records the complaints and generates a "Complaint Register". This procedure tracks all the steps in the complaint handling process and monitors compliance with the applicable legislation on response times.

The procedures and solutions deployed to handle customer complaints are structured and governed by specific internal regulations, also in line with the guidance issued by the Bank of Italy, in particular in its communication of 18 March 2016 "Organisation and functioning of complaints offices: good practices and issues found through control activity".
When the complaint is received, the customer is notified that the matter is under examination. Each complaint is duly examined, considering the various grounds for the customer's dissatisfaction. Where in-depth examination of complaint makes it impossible to issue a reply by the statutory time limit, the customer must be promptly informed by means of an ad hoc communication. The answer must be drafted in simple, clear and comprehensible language and sent in a timely manner, and in any case by the time limits laid down in the legislation in force.
Once the case has been examined, the function responsible shall send the complainant a written response, drafted in accordance with the principles set out in internal Group guidelines on the handling of complaints, protests to supervisory authorities and appeals submitted to alternative dispute resolution bodies. The response must include:
- if the complaint is considered unfounded: a clear and comprehensive explanation of the reasons for rejecting it;
- if the complaint is considered to be wholly or partly well-founded: a description of the measures taken in the customer's favour, with details of the manner and timeframe for granting any reimbursement or compensation.

Targets related to customer satisfaction and responsible sales

One of the fundamental drivers of a service quality culture is the continuous process of improving the customer experience. The Intesa Sanpaolo Group has therefore designed a series of actions, in addition to its policies, to monitor the quality of the services provided. Thus, service quality is subject to constant monitoring and guidance. This makes it possible to achieve high standards of service quality, even without precisely defining measurable quantitative targets. Furthermore, the Group uses key tools such as the NPS in its customer engagement processes, as depicted in the "Customer Engagement Processes" and "Metrics – Net Promoter Score" sections, to monitor the effectiveness of its actions.

Actions on customer satisfaction and responsible sales

The Group has long launched a broad programme aimed at excelling in customer listening processes and in the systematic use of the feedback collected, transforming it into tangible actions capable of generating value for customers.
In particular, during 2025 the Banca dei Territori Division further strengthened its commitment to continuously ensuring service excellence through a coordinated set of initiatives aimed at consolidating the quality of the customer experience.
In particular, the technological evolution undertaken by the Bank has represented an important opportunity to further strengthen the quality monitoring system. The adoption of omnichannel processes—a cornerstone of this transformation—has made it

[257] Net Promoter®, NPS®, NPS Prism® and the emoticons associated with NPS are registered trademarks of Bain & Company, Inc., NICE Systems, Inc. and Fred Reichheld. Net Promoter ScoreSM and Net Promoter SystemSM are service marks of Bain & Company, Inc., NICE Systems, Inc. and Fred Reichheld.

possible to develop a more comprehensive and timely listening infrastructure, capable of synergistically integrating feedback from multiple contact channels, both physical and digital. This approach will enhance the understanding of the customer's voice by enabling cross-channel analysis of interactions and feedback received, resulting in greater effectiveness and speed in actions aimed at improving the quality of service delivered.

Initiatives aimed at raising awareness and promoting a culture of quality as a core value in the service provided to customers also continued. The "Customer Experience in Filiale (Customer Experience in Branch)" portal, already available for physical branches, is now also accessible to digital branches to support the continuous improvement of service.
It is a tool that provides a concise overview of the quality perceived by customers across all key moments of their experience. It integrates two key indicators: NPS (Net Promoter Score), which measures the relational component, and INS (Net Satisfaction Index), which evaluates the customer's experience with the branch across the different moments of interaction.
The portal, which allows data to be consulted at different levels of detail (from the Division level down to the branch level), collects and organises the main satisfaction indicators together with the feedback and comments provided by customers in surveys. Thanks to a concise and comprehensive view, updated monthly, Customer Experience in Filiale enables a rapid understanding of the customer perspective, the identification of areas for improvement, the definition of targeted action plans and the monitoring of their progress over time.

The Group monitors customer complaints and reiterations. In this regard, in order to promptly identify any emerging issues, the relevant business structures periodically receive the reports within their remit, ensuring the monitoring of actions undertaken or to be initiated and facilitating the timely implementation of improvement measures and mitigation of any critical issues identified. Regular alignment and training activities are carried out for the staff at the structure responsible for handling complaints; the applicable regulations are also available to staff on the company intranet.
The Group's annual report on the overall situation of complaints, disclaimers, protests to the Supervisory Authorities and appeals to Alternative Dispute Resolution Bodies describes the organisational set-up and examines its adequacy. In addition, the trend of customer complaints at Group level during the year is reported, including complaints and their possible reiteration ("customer appeals"), appeals to out-of-court dispute resolution bodies ("ADR appeals") and requests for clarifications made by Supervisory Authorities in response to customer reports ("reports"). The Group's Complaints Report is sent to the Supervisory Authorities and an extract entitled "Complaints Management Report" is published on the Group's official website, as required by the relevant regulations.
The trends in complaints are also monitored on a quarterly basis, to verify compliance with the early warning thresholds, defined each year at Group level.
Complaint handling times are constantly monitored by the function responsible for overseeing compliance with the relevant regulations and are reported in the above-mentioned report, as well as in the subsequent section "Metrics - Response to customer complaints".

Finally, with regard to customer advisory services, the solution "Valore Insieme" continues to be a global consultancy solution provided by branch managers thanks to an innovative relations platform that provides an advanced and personalised advisory service in all phases of the construction, protection and transfer of investment portfolios, also through dedicated investment products. It is a service aimed at those looking for an exclusive relationship that combines an innovative platform and ongoing professional support from a dedicated manager.

Metrics on customer satisfaction and responsible sales[258]

Number of branches[259]

The number of branches in the Group decreased in line with the objectives of the 2022–2025 Business Plan, which envisaged an evolution of the distribution model towards increasing digitalisation of services. This transformation, while involving the rationalisation of the physical network, did not negatively affect the quality of the service provided or the Bank's proximity to its customers. In particular, at the end of 2025 the Intesa Sanpaolo Group has more than 2,600 branches in Italy and a strategic international presence with over 900 branches, including subsidiary banks operating in commercial banking and an international network specialised in supporting corporate customers.
Despite the overall closure of 1,502 Retail branches since the fourth quarter of 2021 (around 300 of which in 2025), the Intesa Sanpaolo Group has continued to ensure high standards of customer service quality thanks to the progressive digitalisation of services, implemented to guarantee operational continuity and full accessibility. Advanced digital solutions have enabled the Intesa Sanpaolo Group to maintain a constant relationship with its customers, ensuring timely and effective support in line with a service model focused on listening. This has also been supported by the role of Global Advisors, who provide a distinctive experience through the use of innovative tools, flexibility in organising their time, synergies with branch teams and the opportunity to build strong and lasting relationships with their customers.
The following table shows the number of branches broken down by geographical area covered by the Group, as well as the related Representative Offices.

[258] The information relating to the "Number of branches" indicator set out in this section is reflected in the section "2025 in brief" – paragraph "The 2022-2025 Business Plan and the new 2026-2029 Plan" of the Report on Operations of the Consolidated Financial Statements.
[259] Entity-specific metric.

	Number of Branches 2025	Number of Branches 2024
Italy	2,646 Branches	2,971 Branches
Other european countries	738 Branches + 1 Representative Office	770 Branches + 1 Representative Office
America	2 Branches + 1 Representative Office	2 Branches + 1 Representative Office
Asia	7 Branches + 6 Representative Offices	7 Branches + 6 Representative Offices
Africa	175 Branches + 1 Representative Office	174 Branches + 1 Representative Office
Australia/Oceania	1 Branch	1 Branch

Net Promoter Score[260]

The Net Promoter Score (NPS) is an indicator that expresses the likelihood of customers to recommend a product, service or company, and is calculated in index points (between -100 and +100) subtracting the percentage of detractors (dissatisfied customers) from the percentage of promoters (loyal customers) obtained. Overall, in 2025, at the level of the Banca dei Territori Division (BdT), the survey results shown in the following table are based on approximately 802,000 total responses, an increase compared with 657,000 in 2024. These responses were collected via telephone, email, app or Internet Banking from Retail, Exclusive, Enterprise, Non-Profit Sector and Agribusiness customers. As illustrated in the table, a significant improving trend emerges for the Retail, Exclusive and Enterprise segments, while results remain substantially stable for the remaining categories. Overall, the scores achieved indicate a positive and consistent improvement in the quality perceived by customers.

Categories	Customer satisfaction index 2025	Customer satisfaction index 2024
NPS Retail	48	38
NPS Exclusive	47	34
NPS Enterprises	30	24
NPS Non-Profit Sector	34	33
NPS Agribusiness	24	24

In 2025, the NPS increased thanks to a progressively stronger culture of quality, which enhanced the focus on customer relationships and strengthened collaboration with the central structures supporting the network. This was further supported by the strengthening of digital channels, which made services simpler, faster and smoother, significantly improving the overall customer experience. In addition, more efficient survey processes have made it possible to collect timely and representative feedback, while greater internal awareness of the value of surveys has increased participation.
The result has been a consolidation of service quality across all touchpoints, providing customers with a clearer and more reliable experience.

Responding to customer complaints[261]

With reference to the average processing and response times for complaints within the Banca dei Territori Division, four types of complaints are presented below:

- Banking Services (ORD);
- Investment Services (SIM);
- Insurance Services and Products (ASS);
- Payment services (PAG).

The average response time, in line with the applicable regulations, is calculated as the average number of days between the date the complaint is received and the date it is closed.
The calculation is carried out in terms of calendar days. In this regard, it should be noted that the maximum timeframe provided for by the applicable regulations is expressed in calendar days, except for complaints relating to Payment Services (PAG), for which the timeframe is indicated in working days.

As in the 2024 financial year, the average complaint processing times indicated in the table for 2025 also fall within the limits established by the regulations applicable to the management of the different types of complaints.

Type of complaint	Average processing times 2025 (calendar days)	Average processing times 2024 (calendar days)	Regulatory time limit (calendar days, business days for PAG)
Banking Services (ORD)	16	16	60
Investment Services (SIM)	31	35	60
Insurance Services and Products (ASS)	22	18	45
Payment Systems (PAG)	11	14	15

Service quality - Customer data protection

Policies relating to customer privacy

The Intesa Sanpaolo Group has always maintained a high and constant commitment to protecting its customers' personal data, ensuring that such data is collected and processed in compliance with current legislative provisions. The regulatory framework for personal data protection is represented by Regulation (EU) 2016/679 (General Data Protection Regulation (GDPR) which came into force on 25 May 2018, whose rules have been implemented by the Group and formalised in the main internal governance documents consisting of the Group's Code of Ethics, which outlines the principles and values on which the Group bases its choices and activities, and the Internal Code of Conduct, which defines the conduct that the Group's employees and collaborators must adhered to in order to ensure the correct processing of data.

[260] Entity-specific metric.

[261] Entity-specific metric.

For further details on the impacts, risks and opportunities (IROs) covered by the policies relating to customer privacy please refer to the IRO table set out in the paragraph “Materiality analysis” in the ESRS 2 – General disclosures chapter.

More specifically, the GDPR applies the so-called the accountability principle, which requires the data controller to implement regulatory, organisational and technological measures aimed at ensuring that the processing of personal data takes place in compliance with and on the basis of the criteria laid down in the Regulation, such as privacy by design, privacy by default, the appointment of the Data Protection Officer, privacy impact assessment, the record of processing activities, the subjective role of Third Parties and data breach management[262]. The Group protects the personal data of the individuals with whom it interacts by implementing the “privacy by design” principle, whereby the personal data protection logic is established from the outset by identifying the potential risks for the rights and freedoms of data subjects and the technical and organisational measures suitable for mitigating such risks. A further safeguard is the privacy impact assessment conducted before carrying out one or more data processing activities that may involve a high risk for the rights and freedoms of individuals.

The privacy notice was updated in March 2025 with several new elements concerning: the processing of data carried out by the Bank through the use of artificial intelligence systems; the automated assessment of the financial sustainability of transactions (so-called Affordability); the legal basis of legitimate interest in the management of corporate and strategic transactions; the exchange of information between Group companies regarding the reporting of suspicious transactions; profiling for anti-fraud purposes and IT security monitoring; and joint controllership between the Bank and SWIFT[263] in relation to international payment transactions. The privacy policy, published on the official website, specifies that the Intesa Sanpaolo Group processes personal data only for the purposes described and expressly indicated therein, which is made available to data subjects. No processing is carried out for any secondary purposes not expressly stated. With regard to the processing of personal data for marketing purposes, the provision of a free, explicit and unambiguous consent of the data subject is required. If the data subject denies consent or does not make any choice, the data collected will not be processed and used for marketing purposes.

Failure by a data processor to comply with external or internal data protection regulations triggers a procedure to verify the actual non-compliant conduct. In the case of ascertained and unjustified breaches, the relevant departments are always informed in order to start disciplinary proceedings, which normally result in one of the measures under the reference regulations being applied.

The Group, having companies located in various EU and non-EU countries, complies with the express personal data protection provisions of their domestic legislation. Specific governance documents were drawn up, which provide clear instructions on the conduct that employees and collaborators must maintain to ensure the correct collection, use and protection of personal data in compliance with current national and international legislation and the principles that guide the Group, formalised in the Code of Ethics and the Internal Code of Conduct (for further details, please refer to the corporate website, where both documents are available for consultation.) These instructions are also set out in the Guidelines on the protection of personal data of natural persons and in the Corporate Rules for the processing and protection of personal data of natural persons.

In June 2025, the Board of Directors of Intesa Sanpaolo approved an update to the Guidelines on the Protection of Personal Data of Natural Persons, which incorporates the articulation of the principle—already present in the previous version and further strengthened in the updated one—that the processing of personal data by authorised personnel must be relevant and/or connected to the duties assigned to them, as well as the principles governing processing carried out through artificial intelligence systems. The Guidelines establish the model for managing compliance risk with the data protection rules for all the individuals with whom the Group interacts, including employees and collaborators. They lay down the general principles and set out the roles and responsibilities of the corporate bodies and structures involved, the macro-processes for monitoring and controlling risk, and the Group’s guidance, coordination and control model. Furthermore, the Guidelines lay down the obligations required for the purposes of personal data processing and protection and establish the application of sanctions in the event of non-compliance with the provisions. Moreover, they are drawn up in compliance with external regulations, internal governance documents the provisions of the European Data Protection Board (EDPB), which is composed of representatives of the national data protection authorities of the EU Member States. The Guidelines apply to the Parent Company, its international branches and companies established in the European Union. The principles set out in the Guidelines therein serve as a reference for the Group companies located outside the European Union. They are generally reviewed once a year. Before being approved by the Board of Directors, they undergo a concordance process with the relevant corporate functions.

In line with the principles set forth by the Guidelines, the Corporate Rules for the processing and protection of personal data of natural persons detail the topics and provisions relating to the activities carried out by all authorised data processors, providing precise operating instructions in order to comply with regulatory provisions. The Rules were updated in December 2025, introducing strengthened behavioural recommendations for data processors and the inclusion of specific principles governing data processing through artificial intelligence systems. These Rules apply to the Parent Company, its international branches and the Group companies operating in Italy, in accordance with the governance model for regulatory oversight of privacy protection (centralised at the Parent Company).

Pursuant to Article 37 GDPR, the Board of Directors also appoints the Data Protection Officer who, in performing his/her activities, is supported by the Privacy function, which is located in the Chief Compliance Officer’s Governance Area and comprises three offices, dealing respectively with Privacy Advisory, Relations with the Data Protection Authority and Data Subjects, and Privacy Governance.

[262] Data breach refers to a 'breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed' (Art. 4, paragraph 12 GDPR)
[263] Society for Worldwide Interbank Financial Telecommunication.

The following tasks are entrusted to the Data Protection Officer and the privacy function:
- monitoring and overseeing compliance with the GDPR;
- preliminary compliance check on new products, initiatives and services involving the processing of personal data;
- assessment of risks to the rights and freedoms of individuals when starting or changing any personal data processing activities (privacy impact assessment) in accordance with Article 35 of the GDPR;
- assessment of the privacy role held by Suppliers and drafting of the appointment document;
- management of customer requests regarding the exercise of the rights of the data subjects;
- management of replies to the Data Protection Authority and data subjects following reports or complaints lodged with the same Authority;
- guidance, coordination and control of the Group companies located in Italy and abroad (EU and non-EU);
- keeping and updating the Record of Processing Activities, as required by Article 30 of the GDPR, wherein all the personal data processing activities carried out are recorded. The Register shows the purposes of each processing, the data storage methods, the security measures applied and other information on the processing activities carried out;
- assessment of non-compliance events and personal data breaches;
- updating the list of third parties that process customers' personal data;
- monitoring training courses on privacy.

Cybersecurity policies[264]

Intesa Sanpaolo places particular attention on information protection and cybersecurity: this commitment strengthens the digital resilience of the entire national system, fostering trust among stakeholders and contributing to economic and social stability.

For further details on the impacts, risks and opportunities (IROs) covered by the policies on cybersecurity please refer to the IRO table set out in the paragraph "Materiality analysis" in the ESRS 2 – General disclosures chapter.

The Chief Security Officer Governance Area oversees, in an integrated manner, cybersecurity and anti-fraud activities, business continuity and the integrity of the information system, ensuring a sustainable approach focused on safeguarding customers. The Area adopts a management model structured into three macro-areas—Department, Control and Active Oversight—which ensure alignment between strategy, monitoring and operations. The reference framework is defined by the Group Policy "Information Security Principles", published on the corporate website, which outlines the guiding principles and defines roles and responsibilities within the model, as well as the policies and operational procedures in force across the various areas of information security.
Within the model, the roles described in the Policy represent the key organisational components operating in alignment with the three macro-areas mentioned above:
- Corporate Bodies and Committees, responsible for strategic direction and overall oversight, supported by the Governance Functions to ensure effective and transparent management of cybersecurity;
- Group Information Security Officer, whose objective is to protect information and infrastructures and to promote cyber culture initiatives aimed at customers and employees, fostering awareness and collective resilience;
- Relevant technical functions, which develop cybersecurity solutions and services in compliance with applicable regulations and international best standards.

This systemic approach ensures: (i) a single point of reference for security models and solutions, in line with the principles of transparency, inclusiveness and sustainability; (ii) responsible and efficient governance of resources, optimising the budget and reducing environmental impacts; (iii) the identification of strategic priorities that balance security and sustainability, promoting innovative solutions; (iv) alignment with the best international standards, strengthening resilience and stakeholder trust.
The model, following the principle of continuous improvement, is subject to periodic review and is updated in line with regulatory and technological developments or following significant events that require the strengthening or adjustment of safeguards. The outcomes of the update process are incorporated into policies and operational procedures and are accompanied by training and communication initiatives aimed at employees. To complement the model, the cybersecurity and anti-fraud structure carries out strategic intelligence activities aimed at identifying and proactively managing risk scenarios.

The Board of Directors annually approves the IT Security Plan, which addresses the challenges of cyberspace through targeted initiatives carried out by the Group's functions. This plan is based on a strategy that takes into account the evolving risk landscape and the human factor, structured around four pillars:
- protect customers: counter fraud and attacks while strengthening digital trust;
- protect the Bank: enhance the ability to safeguard and recover digital infrastructures;
- ensure regulatory compliance: comply with laws and regulations;
- enable digital trust: provide secure access to online services and strengthen the entire value chain.

The strategy guides projects and investments aimed at improving the following areas:
- cyber hygiene: promoting best practices and appropriate behaviours among employees and collaborators;
- resilience and operational recovery: the ability to ensure service continuity despite attacks;
- third-party protection: safeguarding data and services, including through collaboration with external suppliers;
- anti-fraud: direct protection of customers from attacks;
- governance and leadership: consistency and effectiveness of cyber strategies, supported by external certifications and full involvement of management.

With this holistic approach, the Group is committed to promoting a safer, more sustainable and responsible environment.
The integrated oversight of cybersecurity, anti-fraud and Business Continuity—central elements of the Group's Crisis Management mechanisms—has demonstrated its effectiveness in addressing complex events such as natural disasters, pandemic emergencies and geopolitical tensions.

[264] The disclosure about cybersecurity set out in this section is reflected in the "Breakdown of consolidated results by business area and geographical area" section of the Report on operations which accompanies the consolidated financial statements.

As part of its governance model, Intesa Sanpaolo systematically maintains certifications issued by qualified third parties for its cybersecurity and Business Continuity activities. These certifications represent a guarantee of quality and attest to the robustness of the safeguards adopted to ensure the reliability and sustainability of the services provided, in line with the Group's ESG vision, which focuses on promoting digital security and operational resilience to protect customers, employees and stakeholders. In particular, the certifications relating to Information Security (ISO/IEC 27001:2022) and Business Continuity (ISO/IEC 22301:2019) were renewed. The certifications are available on the Group's official website.

Customer engagement, remediation processes and channels to submit complaints

The Group makes the privacy notice available to all individuals with whom it interacts, in compliance with Article 13 of the General Data Protection Regulation, which sets out the information to be provided to the data subject at the time personal data are collected. In particular, the Group publishes the customer data protection policy on its official website, providing all the necessary information on how it ensures correct data processing. The information provided includes the type of data processed, the purposes and legal basis of the processing, retention periods, the recipients of the data, the rights of the data subjects and how to exercise them, as well as the contact details of the DPO.
For the new elements introduced in the privacy notice updated in March 2025, and for further details regarding the purposes indicated in the notice itself and the free consent required for marketing activities, please refer to the paragraph "Policies relating to customer privacy."

The Intesa Sanpaolo Group has adopted a critical event management model that sets out the steps for the efficient management of incidents. The model specifies the functions involved according to the type of event. It contributes to mitigating the reputational risks associated with personal data processing, also with respect to the lawfulness, fairness and purpose of the processing, as well as the relevance, completeness and non-excessive nature of the data collected. In this scenario, the Data Protection Officer cooperates with the management of non-compliance events by providing assistance to ensure the identification and implementation of actions to eliminate or mitigate the effects of the event. If the event constitutes a personal data breach, the Data Protection Officer is required to assess its impacts in terms of tangible risk for the rights and freedoms of the data subjects impacted; if the risk is high, the DPO notifies the Authority and, in case of particularly high risk, he/she also notifies the data subjects. For more details on this topic, please see the section "Customer privacy metrics".

To submit complaints on personal data protection issues or requests to exercise their rights, data subjects can contact the Data Protection Officer, using the contact details contained in the privacy policy provided to the data subjects and on the Group's official website. Requests can be sent electronically (e-mail, certified e-mail) or in hard copy; in both cases, they are treated with an appropriate level of confidentiality and protection of the personal data. The monitoring of incoming requests is the responsibility of the Privacy function, which manages the requests received and defines processes aimed at ensuring their timely handling. The careful handling of requests to exercise the data subjects' rights is of crucial importance in consolidating the trust relationship and addressing critical situations.
The Group has equipped itself to respond promptly to customers' requests as required by Article 12 GDPR, under which the data controller must take appropriate measures to provide the data subject with all information concerning the processing, without undue delay and, in any case, within one month of receiving the request, or within a further two months in the cases provided for, informing the data subject.

As part of the Integrated Internal Control System, the Control Functions carry out checks, of different depth and frequency, on the compliance of activities carried out with personal data protection regulatory requirements and on the correct implementation of the measures issued by the Data Protection Authority. The results of the checks are reported to the Board of Directors in the manner defined by the control system.

In this context, the Chief Audit Officer carries out periodic control activities defined not only on the basis of the specific regulatory obligations on the subject (audits carried out annually), but also from a risk-based perspective, taking into account the evidence reported by the other corporate control functions. Generally speaking, the independent checks by the Internal Audit function are aimed at ascertaining the completeness, adequacy and effectiveness of the data protection compliance risk management model, reporting any irregularities in personal data processing to the competent corporate structures and the Data Protection Officer, reporting on the matter to the Board of Directors.
In compliance with the GDPR and the Guidelines, the Data Protection Officer must at least annually submit a report to the Board of Directors on the most significant data protection issues. This commitment enables, through the adoption of appropriate measures, the mitigation of reputational and non-compliance risks in the processing of personal data, including with regard to: the lawfulness and fairness of processing, the purposes for which the data are processed, and compliance with the principles of relevance, completeness and data minimisation in the collection of personal data.

Objectives relating to customer privacy and cybersecurity

The Intesa Sanpaolo Group has adopted a comprehensive framework of policies, procedures and actions to safeguard the protection of customer data and its information systems. This approach enables continuous monitoring and proactive management of the matter, ensuring high standards of regulatory compliance and safeguarding customers, even without the definition of quantitative and measurable targets.
In the area of business continuity, the Group has for several years adopted a proprietary model for managing critical events. This model provides for continuous analysis of events and threats, supported by the use of metrics to assess the performance and effectiveness of the actions undertaken (as presented in the sections "Customer privacy metrics" and "Metrics on the protection of customers against fraudulent transactions").

Customer privacy actions

The Data Protection Officer (DPO) oversees, through a risk-based approach, the risk of non-compliance with privacy protection requirements, ensuring the application of the principles of privacy by design—data protection from the design stage—and privacy by default—data protection by default settings. This approach ensures that the risk of non-compliance is effectively

managed both during the design or substantial modification of personal data processing activities and throughout the processing itself, through the adoption, by default, of appropriate technical and organisational measures aimed at guaranteeing an adequate level of security.

Intesa Sanpaolo has refined the process of continuous improvement of safeguards aimed at protecting personal data. In particular, at the end of 2024 a project was launched involving the control functions and business units within the Italy perimeter, aimed at:

- strengthening ex-ante and ex-post controls, including through the introduction of automated tools and enhanced protection systems dedicated to customers relevant to national security;
- strengthening the risk appetite framework and the internal rules on data protection;
- carrying out a comprehensive review, at Group level, of the visibility of customers' personal data, defined according to the corporate role and the relevant customer segment, starting from business logics and the analysis of service models.

In relation to suppliers appointed as data processors pursuant to Article 28 of the General Data Protection Regulation, Intesa Sanpaolo carries out annual verification activities aimed at assessing their compliance with personal data protection regulations. In 2025, privacy monitoring of suppliers continued both through the administration of privacy self-assessment questionnaires to 100 suppliers and through on-site visits to 11 suppliers. Overall, both activities were successful, with most suppliers achieving a medium/high level of data protection controls. In 2025, greater priority and attention were given both to those suppliers who had not responded to the request to complete the privacy questionnaire in 2024 and to those who, in the context of the self-assessment and on-site visits, had obtained a low level of safeguards.

The adoption of an internal management platform has also been completed, which will facilitate the integrated management of the main privacy-related processes.

In relation to the foreign companies within the EU perimeter, guidance, coordination and oversight activities continued through dedicated meetings aimed at presenting the privacy processes adopted by the Parent Company, discussing relevant topics and receiving periodic information flows. For the non-EU perimeter, the strengthening of oversight over international branches characterised by a higher volume of personal data processing continued, with the aim of reducing the risks of non-compliance and enhancing governance.

Cybersecurity actions[265]

In a context of rapid technological evolution and increasing digitalisation, the Bank has implemented initiatives aimed at protecting customer data, ensuring service continuity and strengthening stakeholder trust, thereby contributing to the Group's long-term resilience.

In the field of cybersecurity, structured measures are adopted to strengthen the systems and applications supporting services, including strong authentication[266] for critical access, platforms for monitoring and correlating events, and solutions for managing the attack surface on the internet, supported by the systematic use of threat intelligence solutions to prevent threats. Suppliers are classified through specific methodologies, with in-depth assessments carried out for the most critical ones, and preventive measures together with sustainability and security criteria introduced to reduce risks related to the supply chain, including by evaluating alternative solutions for essential services.

For Business Continuity, internal processes have been strengthened to ensure the controlled recovery of operations and clear, effective external communication in the event of critical incidents, supported by plans and redundant solutions to maintain service availability. These actions, integrated and oriented towards operational sustainability, aim to ensure security, transparency and accountability in the management of technological risks.

In relation to digital fraud, 2025 saw the adoption of increasingly sophisticated techniques, including scams based on psychological manipulation, Money Muling[267], phishing campaigns and social engineering aimed at stealing credentials, as well as the use of malware, with differentiated impacts on retail and corporate customers.

To counter these threats, Intesa Sanpaolo has strengthened its detection and prevention capabilities through:

- the enhancement of the real-time transaction analysis platform, based on artificial intelligence and machine learning algorithms;
- the introduction of the anti-fraud questionnaire, aimed at raising customer awareness and documenting their choices;
- the strengthening of European interbank cooperation to identify anomalies in payment transactions;
- the development of data analytics capabilities, behavioural monitoring (Behavioural Customer Monitoring) and the optimisation of anti-fraud rules.

A new anti-fraud prevention platform was also introduced, integrated with the most advanced market solutions, representing a further step in Intesa Sanpaolo's digital resilience strategy, aimed at safeguarding transaction security and strengthening stakeholder trust.

Intesa Sanpaolo places great importance on the development of skills and professional growth in the field of digital security. This commitment translates into established partnerships with leading academic institutions, including Bocconi University, Università Cattolica del Sacro Cuore, Milan Polytechnic, Turin Polytechnic, Il Sole 24ORE Business School, University of Padua, University of Bologna, University of Parma and University of Cagliari. Through these collaborations, the Bank contributes to the development of a pool of highly qualified talent capable of addressing the constantly evolving challenges of cybersecurity. Agreements with universities are periodically renewed to ensure continuity and alignment with emerging needs.

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[265] The disclosure about cybersecurity set out in this section is reflected in the "Breakdown of consolidated results by business area and geographical area" section of the Report on operations which accompanies the consolidated financial statements.

[266] Strong authentication (or strong customer authentication) is a security method that requires at least two independent authentication factors to verify a user's identity.

[267] Money Muling is a form of financial fraud in which a person is recruited—often unknowingly—to transfer money originating from illicit activities.

The Bank also plays an active role in promoting a culture of cybersecurity within the financial system. Participation in national and international working groups—including Europol, European Cyber Security Organisation (ECSO), the National Cybersecurity Agency, the Polizia di Stato and other Italian law enforcement bodies, the CERTFin, and the European Banking Federation (EBF)—enables Intesa Sanpaolo to contribute to the definition of sector standards, foster knowledge sharing with public and private stakeholders and strengthen collective resilience. In this context, Intesa Sanpaolo for Social Impact has promoted digital security training programmes in collaboration with international humanitarian organisations, including Save the Children, confirming the Group's social commitment to protecting people and communities.
Each year, Intesa Sanpaolo renews or establishes partnerships with lower and upper secondary schools and, in collaboration with the Savings Museum, promotes initiatives such as "Drizza le antenne – A prova di hacker! (Stay Alert – Hacker-Proof!)" and "Metti in campo i tuoi talenti (Put Your Talents into Action)", aimed at raising digital awareness among students and teachers. Projects such as "Sky is No Limit" and "Let's Go Digital" support both digital innovation and talent development, through mentoring programmes designed to guide educational and professional growth. In addition, the "Cryptocurrencies and Artificial Intelligence" initiative explores innovative topics related to the digital world, offering young people valuable insights into the opportunities and risks of technological evolution.
Cybersecurity education is also extended to adults and the wider community. For example, Intesa Sanpaolo has collaborated with the Polizia Municipale di Firenze on initiatives to combat fraud and scams, strengthening its role in civic education and consumer protection. Complementing these activities, Intesa Sanpaolo launched the second season of the podcast "L'arte della difesa digitale (The Art of Digital Defence)", distributed through Intesa Sanpaolo On Air, making cybersecurity knowledge more accessible to a broad audience.
Finally, awareness initiatives were undertaken to raise awareness among customers and the Group's employees about the main fraud and scam scenarios and the actions to take to avoid becoming victims of fraudulent events.

Customer privacy metrics[268]

In 2025, 153 cases (75 of which related to Intesa Sanpaolo) of loss or theft of Group customers' data (Data Breaches) were assessed in Italy, 124 of which (53 related to Intesa Sanpaolo) were not found to pose a risk to the rights and freedoms of the data subjects and therefore did not need to be notified to the Italian Data Protection Authority. For the remaining 29 cases (22 of which related to Intesa Sanpaolo), it was instead considered necessary or prudential to notify the Data Protection Authority; of these, 19 cases (18 related to Intesa Sanpaolo, and 6 of which also related to Group employees) were also communicated to the data subjects. Foreign companies based in the European Union reported a total of 131 incidents/events of alleged personal data breaches, 5 of which were reported to the local authorities; of these, 4 were also communicated to the data subjects. For the remaining 126 cases, the local Data Protection Officers did not detect a risk to the rights and freedoms of the data subjects. Consequently, no notification to the respective Data Protection Authority was necessary. Outside the European Union perimeter, one data breach was reported that required notification to the local Authority.

	2025	2024
Number of cases of loss or theft of customer Date (Italy)[269]	**153**	**186**
Number of cases notified to the Date Protection Authority[270]	29	15
- of which: communicated to the Date subjects[271]	19	4
Number of cases of loss or theft of customer Date (Abroad)	**132**	**85**
Number of cases notified to the Date Protection Authority	6	4
- of which: communicated to the Date subjects	4	2

During 2025, the Group managed events attributable to various types of potential personal data breaches, including, for example, cybersecurity incidents (such as phishing or malware), IT incidents (e.g. software release errors) and operational incidents (e.g. incorrect sending of documentation or incorrect assignment of authorisations). Further reports of potential privacy breaches were received through internal alert channels and through notifications from data subjects, including those received via complaint channels, the DPO channel and the whistleblowing system.

All events were analysed in accordance with the critical event management process defined at corporate level. Incidents relating to ordinary management were handled by the Privacy function, while those classified as "complex" were managed with the involvement of the Cybersecurity function. At the end of the analysis and information-gathering activities, the Privacy function carried out an assessment of the risks to the rights and freedoms of data subjects, applying the rules set out in the specific internal regulation, largely inspired by the "Recommendations for a methodology of the assessment of severity of personal data breaches" issued by ENISA (European Union Agency for Cybersecurity).

Based on the results of the two analysis steps described above, in cases where the assessment identified a risk to the rights and freedoms of data subjects, a notification was made to the Italian Personal Data Protection Authority. Where such risks were classified as high, the affected data subjects were also informed accordingly. As a result of the above-mentioned detection and analysis process, it should be noted that within the Italy perimeter, the total number of data breaches in 2025 showed a slight decrease compared with 2024. The differing number of data breaches handled in the reference periods is attributable to the number of reports received by the companies concerned. The increase in the number of cases notified to the Authorities and communicated to the data subjects is attributable to the risk assessment carried out on individual events, which identified, in a greater number of cases, the conditions requiring notification and/or communication. In the international perimeter, the increase in cases is attributable to the higher number of events reported to the structures responsible for managing data breaches.

[268] Entity-specific metric.
[269] In 2025, 75 cases related to Intesa Sanpaolo, compared to 78 in 2024.
[270] In 2025, 22 cases related to Intesa Sanpaolo, compared to 13 in 2024.
[271] In 2025, 18 cases related to Intesa Sanpaolo, compared to 4 in 2024.

Despite the increase in cases, the number of data breaches notified to the Authorities and to the data subjects remains overall limited.

As at 31 December 2025, the Data Protection Authority had not requested any further investigation into the cases reported to it.

Metrics on the protection of customers against fraudulent transactions[272]

Overall, Intesa Sanpaolo blocked fraudulent transactions worth over 131 million euro involving retail customers and approximately 60 million euro involving corporate customers, for a total value exceeding 191 million euro. The value of these transactions is calculated on the basis of a monitoring system that makes it possible to distinguish cases of fraud from those of scams.
In particular, there was a significant increase in the value of blocked scams, rising from 84 million euro as at 31 December 2024 to 175.7 million euro at the end of 2025. This amount was distributed between retail customers and businesses, with percentage shares of 71% and 29% respectively, and with values tripling compared with the same period of the previous year in the case of business customers (16 million euro as at 31 December 2024 – 50.7 million euro as at 31 December 2025).
With regard to fraud, there was an increase in attempts compared with the previous year (+27.8%), mainly attributable to a sharp intensification of malware attacks, which were six times higher than in 2024. Moreover, the average fraud amount attributable to malware increased fourfold. Specifically, the frauds blocked in 2025 were attributable 42% to retail customers and 58% to corporate customers.

Despite this unfavourable scenario, blocking[273] effectiveness increased by 2 percentage points compared with the previous year, rising from 96% in 2024 to 98% at the end of 2025, maintaining a very high level when compared with the UK benchmark (65%[274] in 2025) used as a reference point for the analysis.

Blocked fraudulent transactions (€/mln)	2025	2024
Blocked frauds	**16.1**	**12.6**
Retail customers	6.7	8.4
Corporate customers	9.4	4.2
Blocked swindles	**175.7**	**84**
Retail customers	125	68
Corporate customers	50.7	16
Total blocked fraudulent transactions	**191.8**	**96.6**
Retail customers	131.7	76.4
Corporate customers	60.1	20.2

Customer health and safety

Policies on customer health and safety

Safeguarding the safety of customers and the security of their assets and information is not only a primary duty of the Group, but is also the foundation of developing a long-term trust-based relationship.
In particular, the Intesa Sanpaolo Group protects the health and safety of people, including customers and suppliers, by acting on two distinct but complementary levels, at institutional and Group governance level.
In this context, the Group, at institutional level, has joined the Memorandum of Understanding for the Prevention of Crime against Banks and Customers, promoted by OSSIF (Italian Banking Association's Anti-Crime Research Centre), endorsed by the Ministry of the Interior and signed in the Prefectures of the main Italian provinces.
The MoU defines the best practices for the prevention of both major threats against staff and assets held by banks, and fraud against customers, with a focus on senior citizens and less financially literate customers. The MoU, which is continuously updated and adapted to changes in the broader reference context by the Italian Banking Association and its members, identifies the levels of protection considered appropriate for the prevention of such threats, based on the best practices in the field. The Group operates above the minimum adequacy thresholds, representing a benchmark in both the national and international landscape. Also in 2025, Intesa Sanpaolo continued the training and information campaign for the prevention of scams targeting the most vulnerable customer groups, launched in 2024 through the use of various communication channels.

At the Group governance level, within the oversight of the Chief Security Officer Governance Area, the Corporate and Physical Security structure carried out further updates and implementations of the reference guidelines, which represent the main document of principles and guidance in this area. The current version has been in force since January 2025, following approval by the Board of Directors.
The guidelines set out clear principles, processes and responsibilities, to ensure the protection of personnel and assets, both at home and abroad. This generates significant positive externalities, inter alia, by helping to create a comfortable and safe place for customers. The guidelines complement the operational rules and the advanced technological measures to strengthen existing controls and measures that contribute to the physical integrity and safety of people. This framework is supported by Group initiatives and information tools for the dissemination of a safety culture.
The above-mentioned internal regulations are inspired by constitutional and legal principles that emphasise the value and dignity of work and the individual.

[272] Entity-specific metric.
[273] The indicator is calculated as the ratio between the value of blocked fraud and the total value of attempted fraud.
[274] Source: "UK Finance Limited", Half Year Fraud Report 2025.

With reference to the areas of health and safety in the workplace, pursuant to Legislative Decree No. 81/2008, the Health & Safety structure ensures oversight of the risk of non-compliance by performing the role of a specialist function as provided for by specific Group compliance guidelines. The principles and procedures to be followed and implemented to ensure a safe working environment are governed within Intesa Sanpaolo by specific documents referenced in Chapter S1 – Health and Safety.

For further details on the impacts, risks and opportunities (IROs) covered by the policies relating to customer health and safety please refer to the IRO table set out in the paragraph "Materiality analysis" in the ESRS 2 – General disclosures chapter.

Customer engagement and remediation and channels to submit complaints

One the key principles of the Code of Ethics is the value of the person: the Group takes care of people's health and safety to ensure their professional experience respects their physical and mental well-being.
In particular, the Intesa Sanpaolo Group protects the health and safety of all the people who work there and visit its premises by implementing operational rules and technological safety measures, supported by information materials promoting a health and safety culture. The protection of people is essential; therefore, corporate and physical security play a crucial role and are governed by specific guidelines and internal rules that also safeguard customers, enabling everyone to operate with full effectiveness, efficiency and safety.

The Code of Ethics allows customers to file reports of possible non-compliance with its provisions through a dedicated e-mail inbox, guaranteeing a timely response to queries and complaints and aiming for an effective and not merely formal resolution of disputes.
For details of the actions involving the Group's customers, please refer to the paragraph "Actions relating to customer health and safety".

Targets related to customer health and safety

The Intesa Sanpaolo Group has put in place a series of policies and actions to safeguard customer health and safety, which ensure the continuous monitoring and guidance of this issue, even without a precise definition of quantitative and measurable targets.

Actions relating to customer health and safety

With reference to the actions aimed at promoting customer safety, over the years the Intesa Sanpaolo Group has launched widespread information activity to prevent fraud against weaker customers, such as seniors and those with limited financial education. In particular, the Bank has continued its participation in the national campaign promoted by the Italian Banking Association (ABI) together with the Carabinieri Corps, which is one of many initiatives deployed by the Authorities to prevent fraud against vulnerable groups, which affects significant numbers and has devastating impacts on customers, often worsening their existing vulnerabilities, at times with irreversible outcomes.
In this context, informational materials produced by the Carabinieri Corps were distributed through all channels used to reach retail customers: printed materials (for customers who still prefer this form of communication), as well as the Group's app and institutional website.
The campaign also aims to highlight the Group's social commitment and to contribute to eradicating the phenomenon through the active involvement of key stakeholders, including customers and employees.
Consistent with the above, the action of Intesa Sanpaolo also continued during 2025 through a training project for branch staff aimed at identifying and preventing scams in general, and in particular those targeting vulnerable customers.

As to actions to strengthen the security of personnel and assets, but which also have a potential indirect effect on customer protection, the Group designs its actions on the basis of risk analysis conducted by the corporate and physical security function, based on the ISO 31000 Guidelines.
These analyses provide input for designing appropriate prevention strategies and measures, ranging from training and organisational actions to the use of advanced technological solutions.

The remit of the corporate and physical security function covers the entire perimeter of the Group, partly under a centralised model and partly via decentralised support.
In particular, in 2025 the emergency plans were updated, with implications for the safety and health of staff abroad, in collaboration with the relevant functions and in line with the Corporate and Physical Security rules for managing risks related to international travel. The primary objective is to mitigate travel security risks to which personnel may be exposed during business trips outside Italian territory. In addition, during 2025 the Corporate and Physical Security Rules were issued for Intesa Sanpaolo's international branches and representative offices, with the aim of strengthening the health and safety framework for people working in branches and representative offices outside the national territory.

Assessing the effectiveness of actions is an integral part of the process. The Group tracks data relating to all criminal events, both completed and attempted, across the Italian territory. The figures for 2025 show substantial stability compared with previous years, demonstrating the positive impact of the measures adopted.
Another key area for physical security is aggressions other than robberies, typically against Group staff. In this area, detection, analysis and containment actions have been in place for quite some time, also with a view to reducing the level of possible jeopardising of customers in financial activities involving contact with them.

Thanks to the contribution of the Corporate and Physical Security and Health and Safety functions, the training course "De-escalation Management to Reduce the Risk of Aggression Against Staff" was developed for the managers of an initial group of branches. The course, delivered by both internal instructors (Corporate and Physical Security and Health Surveillance and Psycho-Social Risks) and an external instructor (a psychologist), provides a more practical and concrete exploration—alongside the training already available and attended by staff—of aspects related to identifying weak or early warning signs of potential aggression and managing all de-escalation mechanisms, whether verbal, behavioural or relational.

Social inclusion and supporting production

Policies on social inclusion and supporting production

In line with ESG principles and the international commitments undertaken by the Group, Intesa Sanpaolo promotes social inclusion and the strengthening of the productive fabric through an integrated set of policies and guidelines that place equity, equal opportunities and social cohesion at their core. These include the Code of Ethics, the Internal Code of Conduct, the Principles on Diversity, Equity & Inclusion and the Principles on Human Rights, which are primarily addressed to the Group's people but also ensure the integration of social and environmental factors into credit and investment processes.
The 2022-2025 Business Plan translates these principles into concrete inclusion and cohesion objectives through credit lines dedicated to SMEs and micro-enterprises, measures in support of the Non-profit Sector and initiatives to support production chains. The Group also offers financial education and inclusion programmes for families and young people, as well as partnerships with local authorities and foundations to support the sustainable and digital transition of local economies.
The extensive territorial reach and proximity of the sales networks make it possible to systematically identify emerging socio-economic needs, turning them into concrete solutions. This approach is based on ongoing dialogue with families, undertakings, trade associations, Non-profit Sector entities and institutions in order to identify emerging needs and turn them into concrete actions.

The objective is twofold: on the one hand, to ensure transparent, safe and inclusive access conditions to banking products and services; on the other, to support the competitiveness of Italy's productive system, with particular attention to SMEs, micro-enterprises and local supply chains as well as the most vulnerable segments of the population, namely young people, families and individuals in conditions of economic and social hardship.

As illustrated in the section "Policies to mitigate and adapt to climate change" in the ESRS E1 – Climate Change chapter, the Intesa Sanpaolo Group has adopted internal regulations for the classification of sustainable lending products and transactions. These regulations apply to Group companies that provide finance to customers and, among the various categories, define lending transactions aimed at supporting socially sustainable economic activities, including, for example, activities supporting the creation and preservation of employment levels, socio-economic advancement and empowerment. This category also includes lending transactions to non-profit and Third Sector organisations where they are not already classified in one of the other sustainability categories.
The classification categories of sustainable lending products and transactions were defined in line with the internationally recognised guidelines of the Loan Market Association (LMA) on Social Loan and Sustainability-linked Loan Principles. These provide a globally shared framework and promote standard and transparent practices in the sustainable finance sector.
In addition, the internal regulations for the classification of sustainable lending products and transactions define the other sustainability category, which includes transactions that are not purpose-specific compared to the other sustainability categories but are associated with sustainable covenants/KPIs and identified with reference to one or more environmental/social sustainability activities. The identified KPIs must be significant and consistent with the related purpose and with the achievement of the company's sustainability strategies and their achievement must be documentable over the term of the transaction.
At the end of 2025 the internal regulations for the classification of sustainable lending products and transactions were updated and the related responsibility was assigned to the CSO Governance Area.

For further details on the impacts, risks and opportunities (IROs) covered by the policies relating to social inclusion and support for the productive fabric, please refer to the IRO table set out in the paragraph "Materiality analysis" in the ESRS 2 – General disclosures chapter.

Customer engagement processes

The Group is committed to ensuring clear and transparent access to its channels, encouraging customer awareness in economic and financial management. Through organisational structures and in collaboration with industry associations, it develops products and services in response to evolving customer needs, while adhering to sector initiatives. For example, in the area of certificates, it participates in the annual surveys organised by ACEPI (Italian Association of Certificates and Investment Products), to ensure that the complexity of instruments is clearly classified and improve its advisory services.

In order to best respond to customers' needs, advanced listening tools have been adopted to better understand emerging needs and assess the level of satisfaction with existing products and services. In this way, the Group can continue to offer products in line with both companies' and individuals' expectations. When designing agreements, loans and other customer initiatives, direct discussions are organised with the beneficiaries, incorporating feedback and suggestions for continuous improvement, including through focus groups and co-design sessions in the most significant projects.
The Bank interacts with customers who contact it spontaneously through the digital channels available to them (toll-free number and chat) and also initiates its own contact initiatives, designed in coordination with the relevant functions. In addition, the Bank informs customers—within the scope of its usual relationship management—about products offered by the Bank that promote social inclusion, such as the Basic Account, and maintains active relationships with the customers it interacts with, especially in cases where, following the contact, it becomes necessary to open a second-level report, providing feedback on the status of the request processing. Customers are also involved through periodic satisfaction surveys on the services offered, some of which were promoted through a web series available on YouTube, with the aim of helping customers use the digital services offered.
The Bank adopts a participatory approach aimed at ensuring that inclusion and accessibility initiatives respond to the real needs of customers with disabilities or in vulnerable conditions. In material projects, customers and employees with disabilities actively participate in designing and testing the functionalities, including through focus group and co-design sessions.
The effectiveness of the actions is monitored through qualitative and quantitative indicators, such as periodic feedback collected by industry associations during the planned discussions; the results are shared in internal governance committees to steer corrective actions and ensure continuous improvement of inclusion processes.

In the Banca dei Territori Division, right from the product design phase, customer behaviour and market benchmarks are analysed to identify latent needs. Annual customer satisfaction surveys and continuous customer experience surveys following interactions on physical and digital channels highlight areas of satisfaction and dissatisfaction, allowing prompt action to be taken to optimise the Group's products and services.
As well as listening to customers, the staff in the BdT Division also contribute by providing feedback on processes and services, suggesting improvements for more immediate usability and a more transparent relationship.

In particular, the Banca dei Territori Division's commitment to creating socially oriented credit solutions is manifested through an inclusive approach, aimed at bridging some of the country's social gaps, such as the limited number of young people with university degrees. End customers' needs are analysed based on market surveys (e.g. Istat, Eurostat) and the support of research institutes, with specific focus groups. Gamma Impact products, such as those aimed at students or the unemployed, are designed with favourable terms and extended repayment periods to facilitate access to credit even for those who do not meet the traditional requirements.

Remediation processes and channels to submit complaints

The Intesa Sanpaolo Group maintains a constant dialogue with its customers to ensure top-tier service. Each customer has the opportunity to submit a complaint through various methods and communication channels, in order to also accommodate customers with more limited access to digital channels or those belonging to vulnerable groups. Complaints can in fact be submitted through online forms on the Group's institutional website, via the app and email, or through traditional methods such as by mail or hand delivery at operational branches. Timely and careful handling of complaints is crucial to consolidate trust and resolve any critical issues. Current regulations require the responsible compliance function to provide regular disclosures, at least annually, on the overall handling of complaints and the effectiveness of the procedures adopted.
In addition, the Code of Ethics allows customers to file reports of possible non-compliance with its provisions through a dedicated e-mail inbox, guaranteeing a timely response to queries and complaints and aiming for an effective and not merely formal resolution of disputes.

Targets and metrics related to social inclusion and supporting production[275]

The Group has set itself the objective of promoting ESG practices, included as a priority in the 2022-2025 Business Plan, by raising awareness among companies and their supply chains and helping them to understand their own level of sustainability, as well as in establishing a transition plan geared towards more responsible and innovative models, in line with the ecological transition of the NRRP. To this end, the ESG Workshop initiative continued in 2025. These are physical and virtual meeting spaces that offer workshops and advice from qualified partners on ESG issues.

The target of creating at least one workshop per Regional Governance Centre has been far exceeded, with multiple workshops in some areas. Each workshop establishes common objectives and operating methods in order to propose a path designed to help companies identify their strengths and areas for improvement, stimulating change that generates value not only for the company, but also for the community and the environment.

The activities of the workshops are constantly promoted through the Group's traditional channels, such as press releases, the official website and social media channels, but also through the communication initiatives of the founding partners (e.g. chambers of commerce, local authorities, institutions, universities, etc.). During the 2022-2025 Business Plan, the initiative continued to expand, supported by institutions and technical partners, with the aim of making ESG practices a priority in business decisions and development strategies, making the ecological transition not only a necessity, but also an opportunity for innovation and growth.

Since 2021, when the first workshop was launched in Brescia, several workshops have been set up throughout Italy, from Padua to Genoa, including cities such as Milan, Turin, Bari and Palermo. As of 31 December 2025, there were 16 ESG workshops, in line with the 2024 figure, as shown in the table below.

Target: Number of ESG Workshops[276]

	Date	Value
Baseline[277]	31.12.2021	-
Final number	31.12.2024	16
Final number	31.12.2025	16
Target	2025	12

Actions related to social inclusion and supporting production

The Intesa Sanpaolo Group provides its customers with a wide range of medium- to long-term products with the aim of helping to find ESG solutions and supports the most vulnerable groups by promoting access to credit through specific projects and local partnerships.

[275] The information relating to the "Number of ESG Workshops" indicator set out in this section is reflected in the section "2025 in brief" – paragraph "The 2022-2025 Business Plan and the new 2026-2029 Plan" of the Report on Operations of the Consolidated Financial Statements.
[276] Entity-specific metric.
[277] Plan target that represents the planning of a new activity that does not have a base Value.

In relation to social inclusion issues, the BdT Division has developed dedicated credit lines:

- S-Loan, to support small and medium-sized enterprises aiming to improve their sustainability profile. In particular, the S-Loan Diversity line, to support SMEs' investments and reward their efforts towards empowering women, such as promoting female participation in their company, recruiting new female staff, gender equality policies and welfare for female employees, in line with European gender equality goals. The S-Loan line, aimed specifically at corporations, including non-profit social enterprises and cooperatives, also includes the S-Loan ESG line, for companies that want to improve their all-round sustainable performance;
- gamma Impact, through the Fund for Impact, a credit line dedicated to social impact activities set up in 2019 and confirmed in the 2022-2025 Business Plan, enables the development of credit initiatives aimed at categories of people who have difficulty accessing traditional credit, despite having high potential. The Fund for Impact credit products provide subsidised rates and extended repayment periods of up to 30 years; around 127 million euro was made available in 2025. The main programmes include:
  - "per Merito", an unsecured loan designed for university students, with approximately 125 million euro granted in 2025;
  - "mamma@work", a loan that promotes work-life balance for working new mothers, with approximately 1.5 million euro granted.
- Other products in the Impact range include "Obiettivo Pensione", which supports unemployed individuals in paying voluntary pension contributions in order to meet pension eligibility requirements; "per Crescere", a loan for low-income families aimed at making children's education and training expenses more sustainable; "per avere Cura", designed to support people with disabilities and/or their caregivers; and the "per Esempio" loan, intended for young people who have participated in the Universal Civil Service and are entering their first work experience.
- These products, developed under the Gamma Impact range, are primarily characterised by social and inclusive features, allowing people to access credit who would normally struggle to obtain it, such as students and the unemployed. The aim is to generate a positive social impact, helping these groups of people to succeed through financial support. Access to all credit products in this range by users (customers and prospects) is granted subject to verification of the eligibility requirements for the specific product. This verification is carried out by the interested user through two dedicated web platforms, accessible from the Bank's commercial website (the per Merito Platform and, starting from 2025, the Piado Documentary Platform). In addition, the Division has introduced a system for measuring social impact through the Impact Measurement (RIM) process, as illustrated in the paragraph below.
- "Finanziamento Microcredito Imprenditoriale" (Business Microcredit Financing), to support start-up and development projects by undertakings, freelancers and unrecognised associations struggling to access credit, using the special microcredit section of the SME Guarantee Fund;
- the Business Gemma loan, aimed at supporting any type of investment or liquidity need related to the professional economic activity of female-led businesses and self-employed women;
- anti-usury loans, disbursed in accordance with the terms established by agreements with Foundations and Associations registered in a special list of the Italian Ministry for the Treasury. These institutions, responsible for managing the resources provided for by Law 108/96 on behalf of the State, offer guarantees to banks to facilitate access to credit for individuals who are considered worthy of financial support but who, however, would not be able to access finance according to the traditional criteria for assessing creditworthiness. The guarantees financed by the Fund for the Prevention of Usury, established by the above-mentioned law, facilitate the disbursement of loans to combat the financial exclusion of vulnerable individuals, reducing the risk of them turning to illegal credit channels. Since this funding is intended for people in serious economic hardship, the impact on the lives of the beneficiaries and their families is considerable. The number of anti-usury loans granted during the year is monitored by a dedicated structure, which each month reports on the number of exposures covered by guarantees. From these data it is possible to obtain an estimate of the benefits generated in the various territories where the entities partnered with the Group operate. Personal loans and anti-usury mortgage loans are intended for consumers, professionals and sole proprietors operating for personal or family purposes, outside their business or professional activities, and residing in the areas covered by the foundations and associations affiliated with the Intesa Sanpaolo Group;
- Credit for Community Development (Cre.S.Co.), an initiative developed through individual calls for proposals or other forms of collaboration with specific partners, which establish a guarantee fund to facilitate access to credit for Non-Profit Organisations (NPOs). This instrument aims to support the development of socially beneficial projects in the areas in which the partners pursue their statutory objectives. The mechanism allows the partners, such as foundations, to enter into an agreement with the ISP Group and issue a call to select the projects to be funded. In this context, the partners provide a guarantee fund and/or a fund to cover all or part of the borrowing costs associated with the selected projects. Both secular and religious NPOs, including those set up in aggregative forms such as Temporary Special-Purpose Associations (*Associazioni Temporanee di Scopo* - ATS), which have their legal and operational headquarters in Italy, may participate in the calls for proposals. Both organisations already active at the time of the call and NPOs newly established as a result of mergers or integrations between pre-existing bodies are eligible, provided that they fall within the sectors, types of intervention or areas defined by the partner. Cre.S.Co. is an instrument offering subsidised loans for new investments or liquidity needs, aimed in particular at non-profit organisations with the objective of supporting the growth of small organisations, which often lack their own equity.

The BdT Division pays special attention to retail customers and their needs, offering dedicated mortgage lines for specific requirements, including:

- "Mutuo Giovani": an offer that facilitates young people (under 36) with a house purchase by accepting requests of up to 100% of the property value, providing for subsidised rates and application fees, elimination of instalment collection costs and elimination of expenses for flexibility and suspension options that can be used to handle contingent hardship situations. Workers with non-standard and increasing protection employment contracts can also apply for it. The "Mutuo Giovani" has thus gained a positioning on the market which sees the Group as the main lender of this target customer group.
- Guarantee Fund for Main Home Purchases: the Intesa Sanpaolo Group participates in the Guarantee Fund for Main Home Purchases, established by the 2014 Italian Stability Law. The "Sostegni-bis" Decree published in May 2021 refinanced the Fund in subsequent years, extending the benefits until the end of 2027 with Decree Law 207/2024. Also in 2025, the Bank

offered eligible individuals—such as young people under the age of 36 or single-parent families with minor children—mortgages on favourable terms, including the waiver of application and instalment collection fees, the possibility of accessing high Loan To Value (LTV) ratios, also supported by State guarantees, and the benefit of highly competitive interest rates.

To respond to the needs of customers in particularly vulnerable situations, dedicated insurance cover has been introduced for Seniors (over 65) and family caregivers within the XME Protezione product (Support and Assistance and Caregiver coverages). In addition, the Bank offers the following Intesa Sanpaolo Vita Class I life insurance investment products within its product range:

- "ISV Tu dopo di noi", a product designed to protect the future of a person with disabilities;
- "Base Sicura Tutelati", a product designed for minors or individuals under legal guardianship, for whom a Legal Representative acts.

The Bank's initiatives focusing on the topic of financial inclusion include Finanza Insieme, an online platform launched in September 2023, which is free and open to everyone, customers and non-customers alike. The platform is based on the premise that acquiring skills and making informed financial decisions is not only a driver of individual progress, but also of collective progress.
With this initiative, Intesa Sanpaolo aims to support people in improving their level of financial awareness, their relationship with money and, more broadly, to help reduce inequalities in economic and financial literacy.
Hence the reason for its name: "Finanza (Finance)" because it addresses the fundamental and essential topics of finance, and "Insieme (Together)" because its aim is to guide people on a journey of growth and enrichment, without any reference to the Bank's commercial offering and without any promotional or sales-driven intent.
During 2025, the platform recorded around 6,400 registrations and 700,000 visits. Overall, from the launch of the project in 2023 to the end of 2025, Finanza Insieme reached approximately 22,600 registrations and 1.4 million visits.
Through simple language and an interactive/edutainment approach, Finanza Insieme offers a customised learning and training path with more than 350 topics and exercises.
The thematic pathways (so-called Topics) cover seven main areas of bancassurance, such as Savings, Investment and Risk. The seven thematic pathways are also organised into different sections that enable users to understand the main socio-demographic trends, analyse the key strategies across the various areas in order to recognise and prevent the main biases, train the development of more careful and informed decision-making, and explore current economic and financial topics in greater depth.

Alongside the commercial offering of products and services, outlined above, the BdT Division promotes a number of initiatives aimed at fostering economic development and the dissemination of a culture of sustainability and social rights:

- the Women Value Company programme, implemented in collaboration with the Marisa Bellisario Foundation, dedicated to SMEs that implement concrete and innovative policies and strategies to guarantee men and women equal opportunities and equal recognition in their careers;
- the Resto al Sud initiative, to support the establishment and development of new entrepreneurial and freelance activities in southern Italy;
- Crescibusiness, a programme aimed at micro, small enterprises and freelancers, which provides a pathway to ESG growth;
- Imprese Vincenti, the initiative that highlights the paths of growth, digital transformation and business models developed by companies also with regard to ESG;
- Programma Sviluppo Filiere (Supply Chain Development Programme), to facilitate access to credit and a better understanding of companies' needs as part of a supply chain. It supports not only the individual, but the entire team with a unified vision of all supply chain players, and since 2024 it has been supplemented with the introduction of the Programma Sviluppo Filiere – Filiere sostenibili (Supply Chain Development Programme – Sustainable supply chains) with the specific objective of promoting virtuous approaches to ESG for supply chain companies.

In addition, the following initiatives are made available to corporate customers to raise awareness of ESG topics:

- Group training programmes with a focus on ESG topics;
- ESG workshops, in-person and remote venues offering workshops and consultancy on environmental, social and governance issues.

Initiatives to support individuals, non-profit and third sector organisations, with a focus on positive social impacts, include:

- Negative EVA impact ceiling: introduced in 2023, this is an innovative governance tool designed to support lending transactions having significant social impact, even in the absence of an immediate economic return for the Group. This tool, which is reviewed each year by the Steering Committee, makes it possible to offer short-, medium- and long-term loans on favourable terms to vulnerable individuals and third sector organisations, often having no access to traditional lending channels;
- Impact Assessment (RIM): the results of loans granted are assessed by means of an impact measurement process, covering:
  - impact products, i.e. loans granted to disadvantaged individuals;
  - loans to the non-profit sector, where the Group's impact is indirect, and is applied to new loans of no less than EUR 50,000 with maturities of no less than six months.

  This process involves the completion of a questionnaire with branch managers and customers in order to collect information relevant to measuring the benefits. The data thus collected are then analysed to calculate the benefits on people (outcome) as well as the effects of the initiatives on the lives of individuals and their communities (social impact). Finally, an SROI - Social Return On Investment - is calculated, i.e. a measure of the change effected in ways relevant to the people and organisations experiencing or contributing to it. Concretely, appropriate monetary values are applied to the measured social, environmental and economic outcomes. This makes it possible to calculate a benefit-cost ratio.

For Impact products, the questionnaires are currently administered to customers before the credit is granted and assess the expected improvement compared with possible alternatives, where these exist. In the future, questionnaires to be administered ex-post will also be introduced, to measure actual results against expected results.
For loans to the non-profit sector, the assessment is conducted at the time of the loan application. Ex-ante questionnaires are currently being used to collect customers' expectations about the social impacts of the financed initiatives. In this case, an ex-post assessment is already planned to measure concrete results against initial expectations.
As regards lending to the Non-profit Sector, during 2025 the usual "Impact Day" was organised—an event aimed at presenting to the public and the market the results of the ex-ante social impact assessment of projects by Non-profit Sector organisations financed by the Intesa Sanpaolo Group.

The ISP Group participates in the Agreement for Women Victims of Violence, which the Italian Banking Association (ABI) and the main trade unions have signed in favour of women included in certified protection schemes for victims of abuse, so that they can request the suspension of mortgage and personal loan instalment payments for 18 months. To provide even more support, the Group also grants suspension of the entire instalment in addition to the principal amount covered by the agreement. The Agreement has already been extended and is valid until 25 November 2025.

In the area of accessibility, the Banca dei Territori Division ensures that its digital and physical channels are fully usable also by customers with disabilities. These activities are carried out within the framework of the Bank's broader Accessibility project, in line with the Stanca Law (2022) and with the European Accessibility Act, which has been in force since 28 June 2025.
In this context, compliance assessments are regularly carried out on digital touchpoints (for example, the app and website used to access internet banking), in accordance with the methods and timelines set out by the regulations, in order to ensure compliance with accessibility, usability and inclusion requirements. Touchpoints developed or updated in line with these standards are then made available to all the Bank's customers through the usual distribution channels, including the release of applications on the Android and iOS app stores.
In addition, the Group's ATMs also provide accessibility features, such as the audio narration of certain functions, the option to connect headphones, and high-contrast displays for people with visual impairments.

The Banca dei Territori Division pays special attention to young people and their needs, offering them a wide range of dedicated solutions. Below are the main initiatives and solutions offered to them:
- XME Conto UP! (reserved for minors) offers a zero-fee current account, plus free debit card, bank transfers and ATM withdrawals, and with stamp duty paid by the Group.
- The new range of "Isytech" transactional products for retail customers, offered through an omnichannel approach to align with customers' needs, starting from the age of 18. This is a dynamic offering that can be subscribed to in a simple, convenient and intuitive way by making use of all the Bank's open points. For example, a customer can start purchasing a product or service online, then complement the process through a physical branch and finally complete it with the support of the digital branch. This approach gives customers full flexibility and freedom to interact with the Bank through all available channels during the different stages of purchasing a product and/or service, providing a smoother and simpler experience.
- The pre-paid "Flash Up Studio" card for students attending the partner universities. It can be requested free of charge directly via the app: it can be used to make payments, receive scholarships and any remuneration. Where applicable, it also allows the holder to use university services and access university premises.

In addition, the BdT Division is planning other ad hoc initiatives to respond to specific social needs, such as the management of remittances. In continuity with the past, the Group continues to provide the option to send money abroad to meet the specific needs of the ISP Group's migrant customers, through the Money Transfer service, in partnership with Western Union.

As regards the ESG financial offering available to customers of the IMI Corporate & Investment Banking Division, please refer to Standard E1 – Climate Change.

The International Banks Division (IBD) supports individuals in vulnerable conditions through a dedicated offer. In particular, Bank of Alexandria (Egypt) places microfinance at the centre of its strategy as a driver for poverty reduction and the country's social and economic development. Bank of Alexandria positions itself as a reference for financial inclusion in Egypt, economic empowerment and income support for small businesses and customers with no access to banking, with a greater focus on small farmers, livestock farmers and craft workers. In 2025 the Bank, which offers a diversified catalogue of products (in particular in the field of Agribusiness), also developed in line with the guidelines of the Central Bank of Egypt, granted loans for an overall amount of approximately 55 million euro, also providing customers with training services, in collaboration with the World Food Programme (WFP) and entering into partnerships and collaborations with NGOs, Ministries and private entities.
Within the Division, there is also an offering dedicated to young people for the purchase of their first home, which also makes use of government programmes supporting younger generations. This offering is active in seven entities: Banca Intesa Beograd, CIB Bank, Banca Comercială EximBank, Banca Intesa Sanpaolo (Slovenia), Intesa Sanpaolo Bank Albania, Intesa Sanpaolo Banka Bosna i Hercegovina, and Vseobecna Uverova Banka; in 2025, a total of approximately 434 million euro was disbursed.
In addition, there are products to support women and young people in business, also developed in cooperation with multinational banks, such as the Women in Business programme of the European Bank for Reconstruction and Development (EBRD), active in 2025 in Serbia. The aim is to support micro, small and medium-sized enterprises run by women or young people in the Western Balkans by providing favourable financial terms, technical advice and know-how. In 2025, around 13 million euro were disbursed.
In five geographic areas of the Division (Serbia, Bosnia, Moldova, Croatia and Egypt), products dedicated to pensioners are distributed; the amount disbursed during 2025 was approximately 197 million euro.

Moreover, as explained above, in the current context it is essential to support the production sector as well as the economic and social growth of the communities in which the Group operates, by offering products and services in the field of environmental, social and other sustainability (see the section "Sustainable finance metrics" for details). For a comprehensive

description of the products and services offered for this purpose, with particular reference to climate/environmental topics, see also the section on "Climate Change Actions and Resources at the Portfolio Level" of ESRS E1.

Sustainable finance metrics[278]

For the purpose of greater internal and external transparency with respect to products and transactions deemed sustainable, the Group has decided to draw up specific rules for the classification of sustainable credit products and lending transactions. From 2023, reporting complies with these rules, including loans in the categories of environmental sustainability, social sustainability, and other sustainability[279].

In particular:

- environmental sustainability: this category includes products and credit transactions considered sustainable according to the "environmental" classification, covering financing to Retail, SME and Corporate & Project Finance customers. For further details, please refer to the paragraph "Strategy to address climate change at portfolio level" in the chapter ESRS E1 – Climate Change.
- social sustainability: this category includes targeted lending products and transactions considered sustainable according to the "social" category, and includes anti-usury loans, products for vulnerable social groups, loans to the Non-Profit Sector and other social loans;
- other forms of sustainability: this category includes non-targeted transactions associated with sustainable covenants/KPIs towards undertakings."

The total amount disbursed during the financial year 2025 is summarised below, broken down by type of loan.

Table – Sustainable financing (amount disbursed during the year)

Type of loan	Loans disbursed in 2025 €/bln	Loans disbursed in 2024 €/bln
Loans in the environmental sustainability field	13.6	7.6
Loans in the social sustainability field[280]	5.2	4.5
Loans falling under "other sustainability"	6.0	7.0

In 2025, a total of approximately 24.8 billion euro in sustainable lending was disbursed (+5.7 billion euro compared with 2024). The increase in financing related to environmental sustainability is mainly linked to the expansion of the range of green products (+6 billion euro compared with 2024), to which Green Mortgages and S-Loan Green products have made the most significant contribution.

With reference to financing related to social sustainability, the four relevant sub-categories that make up the aggregated figure are presented in the table below. As this is the first reporting year, no comparative data are presented.

Table – Social sustainability financing by type

Social sustainability loans disbursed in 2025	€/mln
Anti-usury loans	4.3
Loans to the Third Sector	344.7
Products for vulnerable social groups	4,763.0
Other social loans	77.7
Total – Social sustainability financing	**5,189.7**

A breakdown at stock level as at 31 December 2025 is given below.

Table – Sustainable financing (outstanding balance)

Type of loan	Stock 2025 €/bln	Stock 2024 €/bln
Loans in the environmental sustainability field	30.3	20.3
Loans in the social sustainability field	23.6	20.1
Loans falling under "other sustainability"	15.6	15.8

Please note that the source of the data for environmental sustainability financing is regulatory, whereas the source for social sustainability and other sustainability financing is managerial in nature.

With reference to the stock values of sustainable financing, in 2025 these amount to approximately 69.5 billion euro (+13.3 billion euro compared with 2024), reflecting the strong momentum in disbursements. In particular, the environmental sustainability segment records an increase of 10 billion euro compared with 2024, mainly driven by the offering of Green Mortgages (in line with the objectives of the 2022–2025 Business Plan) and S-Loan Green products. Meanwhile, the social sustainability segment shows growth of 3.5 billion euro compared with 2024, supported by financing dedicated to more

[278] Entity-specific metric.

[279] At the end of 2025 the internal regulations for the classification of sustainable lending products and transactions were updated and the related responsibility was assigned to the CSO Governance Area.

[280] Please note that this figure does not include loans disbursed to support natural disasters and for urban regeneration purposes.

vulnerable groups, such as Youth Mortgages and Consap mortgages (Concessionaria Servizi Assicurativi Pubblici)[281]. Finally, loans in the "other sustainability" category remained in line with 2024 levels.

Sustainability-conscious investment products and sustainable insurance

The Group considers it essential to establish trust-based relationships with its customers and, in this regard, is committed to maintaining an ongoing dialogue with them, analysing their needs and expectations as a fundamental starting point for offering advice, services and products. The Group is aware of the key role it plays in supporting customers in their investment decisions, in the prudent management of savings, and in the responsible provision of credit, as well as in offering insurance solutions suited to their needs. To this end, the following paragraphs outline policies, objectives, actions and metrics in asset management, private banking and insurance.

Sustainability-conscious investment products

Policies on sustainability-conscious investment products - Asset Management

The Asset Management Division (hereinafter, also "AM Division"), being a financial market participant, also has a fiduciary commitment to its customers and investors and, more generally, to stakeholders. This requires the AM Division to effectively address sustainability issues, with particular reference to the performance of its financial products and to the issuers in which it invests on behalf of its managed assets, based on the assumption that issuers that implement high environmental, social and corporate governance standards can generate sustainable performance in the long term.

In this regard, in line with the requirements of the EU laws on sustainability-related disclosures in the financial services sector, in particular Regulation (EU) 2019/2088 (hereinafter also referred to as the "SFDR Regulation"), the AM Division has defined within its Sustainability Policy specific methodologies for selecting and monitoring financial instruments, aimed at integrating sustainability risk analysis and management within the investment process, in addition to the recommendations made as part of the investment advice service. The AM Division also takes into account the main negative effects of investment decisions on sustainability factors, pursuant to Articles 4 and 7 of the SFDR Regulation, and integrates sustainability risks into its remuneration policies pursuant to Article 5 of the SFDR Regulation.

The Sustainability Policy addresses all types of assets ("asset classes") held by the products managed - mutual funds and portfolio management - that in the respective pre-contractual disclosure:

- integrate sustainability risks into investment decisions, in accordance with the transparency requirements of Article 6 of the SFDR Regulation; or
- promote, inter alia, environmental and/or social characteristics, provided that the investee companies comply with good governance practices, in accordance with Article 8 of the SFDR Regulation; or
- have sustainable investment objectives, in accordance with Article 9 of the SFDR Regulation.

Portfolio management mandates characterised by the presence of specific indications within the respective investment policies do not fall within the scope of application, in light of the lower degree of discretion in the selection of financial instruments.

With regard to shareholder engagement, the reference documents are the following:

- the "Commitment Policy", which describes the conduct adopted to foster dialogue with the issuers in which Eurizon Capital SGR S.p.A. invests, the methods and topics of discussion; and
- the "Strategy for the exercise of intervention and voting rights regarding the financial instruments pertaining to assets under management", which governs participation in the investee issuers' shareholders' meetings.

In order to promote the proper implementation of its sustainability policies, Eurizon Capital SGR S.p.A. has defined and adopted a specific internal governance model that envisages the involvement of the corporate bodies and structures having specific roles and responsibilities in the monitoring and management of sustainability risks. Specifically:

- the Board of Directors (BoD): among other tasks, acting on proposals from the CEO and General Manager, it defines the Sustainability Policy and regularly checks its correct implementation;
- the CEO and the General Manager: with the support of the ESG Committee, they make proposals to the Board of Directors on (i) how to integrate sustainability risks into the investment process of Eurizon Capital SGR S.p.A. and into the remuneration and incentive policies, and (ii) identifying the main negative effects of investment decisions on sustainability factors. In addition, the ESG Committee regularly monitors the implementation of the Sustainability Policy;
- the ESG Committee supports the CEO in (i) defining proposals to be submitted to the Board of Directors on sustainability policies, (ii) monitoring the implementation of strategies involving the negative screening of issuers, the positive screening of ESG factors, the analysis, selection and composition of the managed portfolios, and monitoring external corporate governance activities.
- the Sustainability Committee's main task is to ensure that management decisions comply with the ethical principles set out in the regulations of the funds.

In addition, the Company has entrusted the Responsible Investments & Stewardship structure, within the Investment Department, with overseeing active ownership activities and promoting the integration of environmental, social and governance factors into the investment process. In this regard, portfolio managers within the Investment Area are involved in the selection and monitoring of financial instruments, aimed at integrating sustainability risks within the investment process of managed products. The Compliance & AML Function monitors compliance with the Sustainability Policy, overseeing the correct application of the controls governed by external and internal regulations.

[281] These are subsidised mortgages for the purchase of a first home, made possible through the Primary Residence Guarantee Fund, established by the Ministry of the Economy and Finance and managed by Consap, described in more detail in the previous paragraph "Actions related to social inclusion and support for the productive fabric."

Moreover, in order to pursue its customers and investors' best interests and to support the implementation of its Sustainability Policy, the Asset Management Division, also through its parent company Eurizon Capital SGR S.p.A., actively participates in:
- national and international initiatives that promote the development of best practices in the ESG area, the integration of sustainability principles in the financial sector and the adoption of responsible investment principles;
- training events and conferences, aimed at sharing experiences and spreading the culture of sustainability.

Through Eurizon Capital SGR S.p.a, the Asset Management Division participates in numerous international initiatives and working groups: for example, it is a signatory of Carbon Disclosure Project (CDP) since 2004, of the Italian Stewardship Principles promoted by Assogestioni since 2014 and of the UN Principles for Responsible Investment (UN PRI) since 2015. In addition, it has been a member of the International Corporate Governance Network (ICGN) since 2016, the Institutional Investors Group on Climate Change (IIGCC) since 2021, the Net Zero Asset Managers Initiative (NZAMI) [282]since 2021, and the Forum for Sustainable Finance since 2021. In addition, since 2023 it has participated in the Net Zero Engagement Initiative (NZEI) promoted by IIGCC, in Climate Action 100+, in Nature Action and in PRI Advance.
For further information on the initiatives joined, see the "Sustainability" section of Eurizon Capital SGR S.p.A.'s official website, where you can also access the Sustainability Policy Summary document.

The sustainability policies are reviewed each year by the Responsible Investments & Stewardship structure of Eurizon Capital SGR S.p.A., in coordination with the Compliance & AML function, to assess the consistency of the methodologies adopted by Eurizon Capital SGR S.p.A. with the evolution of best practices at national and international level.

Policies on sustainability-conscious investment products - Private Banking

Fideuram Intesa Sanpaolo Private Banking, in line with the Intesa Sanpaolo Group's commitment to sustainable economic development, in accordance with the principles outlined in the Group's Code of Ethics and aware of the importance of allocating resources according to social and environmental sustainability criteria for long-term value creation, has adopted policies on the integration of sustainability risks and information on the main adverse impacts on sustainability factors when selecting issuers, creating the financial product catalogue and providing investment advice and insurance distribution services (hereafter, these services are jointly referred to as "Advice").
These policies are made available to all Private Banking Division (hereinafter also "PB Division") employees via the company intranet in the internal regulations section; they are also published on the Division's website and can be viewed by customers. The contents of the policies are described below.
With regard to the decision-making process for selecting product companies, Fideuram Intesa Sanpaolo Private Banking analyses counterparties with respect to sustainability risk, consideration of PAIs (Principal Adverse Impacts)[283] and compliance with the applicable legislation. Accordingly, it analyses the degree of compliance and implementation of sustainability issues by the companies whose products may be included in its product catalogue, investigating the controls adopted by Asset Managers and Insurance undertakings in relation to the following topics:
- ESG principles/codes: adherence to ESG principles and/or codes at national and global level (such as, for example, the Net Zero initiative, the adoption of SRI criteria, Stewardship Principles, Climate Action 100+ and Nature Action 100, which Fideuram Intesa Sanpaolo Private Banking has joined);
- corporate governance and organisation: implementation of an ad hoc internal regulatory framework and definition of internal bodies or structures focused on sustainability;
- adoption of policies to integrate sustainability risks into investment and remuneration processes;
- range of sustainable products pursuant to the SFDR Regulation (as amended by Regulation (EU) 2020/852, the "Taxonomy Regulation"): complete product documentation complying with the reference legislation, description of any processes for updating and adapting products with respect to sustainability, how information on the products' sustainability characteristics is made available (e.g. by compiling the European ESG Template - EET file);
- use of environmental, social and governance or sustainability-related terms: adoption of an internal regulatory framework to ensure that fund documentation and marketing communications comply with the "Guidelines on funds' names using ESG or sustainability-related terms" issued by ESMA on 14 May 2024;
- consideration of PAIs, as defined in the regulatory technical standards for the SFDR Regulation.

The analysis, carried out on all existing counterparties is performed during the onboarding of the product company with which a distribution or brokerage agreement is to be signed, and is formalised within the Product Governance processes; this analysis is also subject to periodic updates.

In connection with the above, as part of the procedures adopted to provide the Advisory service, Fideuram Intesa Sanpaolo Private Banking handles the following:
- collecting information from customers during profiling about any interest they might have in investment solutions that value environmental, social and good governance factors;
- defining internal rules for the selection of products that can be considered consistent with the sustainability preferences expressed by customers.

Starting from December 2024, during the profiling phase, Fideuram asks whether the customer is interested in including financial products that take ESG factors into account in their portfolio and, if the answer is positive, proceeds to collect the following information:
- the sustainability (ESG) factors that the investment product must pursue;

[282] On 13 January 2025, NZAMI launched a review of the initiative to ensure its appropriateness for the new global context. As the initiative undergoes the review, activities to track signatory implementation and reporting have been suspended.
[283] The adverse impact indicators, also known as "Principal Adverse Impact indicators" (PAI), defined by Delegated Regulation (EU) 2022/1288, measure the effects of investment decisions and investment advice on sustainability factors, with the aim of monitoring the impacts of investment decisions across different dimensions such as the environment, society and the economy.

- the minimum percentage of the portfolio that the customer intends to allocate to such investments (25%, 50%, 75%);
- the customer's possible willingness to further specify, in line with the selected sustainability factors, their interest in products of this type.

Fideuram Intesa Sanpaolo Private Banking has adopted a classification model for the financial products included in its range of offers, applied across primary and secondary market operations differentiated according to the type of financial instrument.
The service model provides for a check to verify the consistency between the preferences indicated by customers during profiling and the financial products included in its range of offers or traded on the secondary market. If the transaction is not consistent, the reasons for the inconsistency are explained to the customers so that they can assess whether to adjust their sustainability preferences in relation to the specific transaction and conclude it.

Fideuram - Intesa Sanpaolo Private Banking, through a sustainability governance system based on important organisational controls, builds and pursues an integrated corporate strategy that focuses on business results but also on human, social, relational and environmental capital. In particular:

- the Sustainability Manager has a role of integrated and comprehensive oversight of the ESG initiatives, also in liaison with the Intesa Sanpaolo Group initiatives;
- the "Sustainability (ESG)" session, within the Fideuram's Steering Committee, identifies sustainability issues at least once a quarter and defines strategic initiatives, assessing their financial feasibility and impact;
- The ESG & Strategic Activism team, which reports to the Head of the Investment Center, performs several tasks, including: integrating ESG metrics into the financial analysis of products managed by the product factories; assessing the sustainability profiles of products distributed and managed by third parties; managing sustainability-focused products; and overseeing corporate governance and engagement activities with issuers.

The Chief Compliance Officer of Intesa Sanpaolo is ultimately responsible for implementing policies on the integration of sustainability risks and information on the main adverse impacts on sustainability factors in the provision of investment advice services and insurance distribution. Fideuram adopts the centralised model as set out in the Integrated Internal Control System Regulation.
Policy monitoring is embedded within Product Oversight Governance processes with specific metrics related to both product scope and consistency of investment proposals with sustainability preferences.

Targets and metrics on sustainability-conscious investment products - Asset Management

As part of the definition of the Intesa Sanpaolo Group's 2022-2025 Business Plan, Eurizon contributed to the Group's expressed commitment to achieving global climate objectives, by committing to foster the transition to a low-carbon economy. To this end, Eurizon has strengthened and expanded its product range with a particular focus on sustainability, through an increase in financial instruments classified under Articles 8 and 9 of the SFDR Regulation. Specifically, the Plan defined two targets: on the one hand, an absolute value of 156 billion euro in assets under management classified under Articles 8 and 9, which was already reached and exceeded in 2024, amounting to 156.6 billion euro; on the other hand, a relative target of 60% of total assets under management, which was also widely achieved and surpassed in 2024..

With reference to 2025, the positive trend compared with the previous year is confirmed in absolute terms, with an increase in assets under management under Articles 8 and 9 of 12.6 billion euro (+8%), rising from 156.6 billion euro in 2024 to 169.2 billion euro at the end of 2025.
With regard to the percentage target, the ratio between the assets of UCIs under Articles 8 and 9 and the total UCIs (75.4% as at 31 December 2025), while still well above the predefined target of 60%, shows a slight decrease compared with the 2024 figure (75.6%). This change is due to the total demerger of Fideuram Asset Management SGR, effective 1 July 2025, which resulted in the transfer of the Italian funds business to Eurizon Capital SGR for a total value of approximately 5.4 billion euro. The share of Article 8 and 9 funds in total inflows was lower than the composition of the assets already under management, contributing to the reduction in their overall share compared with 2024. Excluding this extraordinary transaction, the 2025 figure would be higher than in 2024, reaching 75.9%.

Target: AuM UCIs pursuant to Article 8 and 9 SFDR out of total AuM UCIs (Eurizon) - absolute[284]		
	Date	**Value**
Baseline	31.12.2021	110 EUR billion
Final number	31.12.2024	156.6 EUR billion
Final number	31.12.2025	169.2 EUR billion
Target	2025	156 EUR billion

Target: % AuM UCIs pursuant to Article 8 and 9 SFDR out of total AuM UCIs (Eurizon)[285]		
	Date	**Value**
Baseline	31.12.2021	46%
Final number	31.12.2024	76%
Final number	31.12.2025	75.4%
Target	2025	60%

[284] Entity-specific metric.
[285] Entity-specific metric.

Targets and metrics on sustainability-conscious investment products - Private Banking

In order to measure the percentage penetration of sustainability-focused assets under management, the Intesa Sanpaolo Group decided to monitor the percentage incidence of (AUM) products classified as Article 8 and 9 SFDR in the total AUM held by customers.

Target: % incidence of products classified under Articles 8 and 9 on total assets under management[286]		
	Date	**Value**
Baseline	31.12.2021	19%
Final number	31.12.2024	78%
Final number	31.12.2025	79.4%
Target	2025	70%

The programme launched in 2021 set increasingly challenging objectives over the Plan period, up to 70% in 2025. Thanks to the significant work carried out in product selection and the integration of sustainability criteria into the Group's investment processes, the target was already reached and exceeded in 2024 (78%), with the share of total assets under management rising to 79.4% by the end of 2025.

Actions on sustainability-conscious investment products - Asset Management

As part of its Sustainability Policy, the Asset Management Division has defined special methodologies for selecting and monitoring financial instruments aimed at integrating sustainability risks into the AUM investment process. These methodologies provide for the adoption of specific financial instrument selection processes, duly calibrated according to the characteristics of the individual products managed, briefly summarised below:

- Negative screening - it involves the application of restrictions on issuers most exposed to sustainability risks, with the aim of avoiding investment in financial instruments most exposed to the risk of loss of value due to the occurrence of an environmental, social or corporate governance event or condition. For corporate issuers, these restrictions are defined based on the issuer's sector of activity and/or the company's conduct in terms of negative impacts on the environment and society (so-called "PAI Binding screening"), as well as the presence of any additional environmental, social and/or governance issues, identified on the basis of specific risk indicators (so-called "ESG Binding screening"). For sovereign issuers, these restrictions are determined according to the country's carbon emissions intensity relative to GDP and the inclusion of the country on the black list of the Financial Action Task Force (FATF, also known as GAFI – Groupe d'action financière);
- The integration of the main Principal Adverse Impact (PAI) indicators into the negative screening methodology, introduced in October 2024 and progressively adopted by products in 2025, led to the introduction of new thresholds and exclusion criteria for products managed under Articles 6, 8 and 9 of the SFDR. These include, for example, limits on exposure to fossil fuels and exclusions relating to breaches of major international standards (such as the principles of the UN Global Compact or the OECD Guidelines);
- Positive screening - it involves, subject to compliance with good governance practices: (i) the integration of ESG factors into the analysis, selection and composition of the assets under management ("ESG Integration") or (ii) the pursuit of sustainable investment objectives;
- Stewardship or Active Ownership - Engagement - proactive interaction with issuing companies through the exercise of participation and voting rights and discussion, fostering effective communication with the relevant corporate bodies and/or senior management and their representatives;
- Through its stewardship activities, Eurizon Capital SGR contributes to climate change mitigation, in line with its Engagement Policy and the Net Zero ambition defined in 2022. Eurizon Capital SGR prioritises engagement activities with companies considered to be lagging behind in the decarbonisation process, also making use of publicly available information on the strategies of investee companies and their research and development initiatives, as well as studies and assessments carried out by third parties, such as the Transition Pathway Initiative, Climate Action 100+, Science Based Targets initiative and Net Zero Tracker.

Compliance with these macro strategies is monitored by the Risk Management function with the support of the Compliance & AML function.

At the end of 2025, the Asset Management Division has a broad and diversified range of sustainability-conscious funds with assets of approximately 169 billion euro in products that, in accordance with good governance practices, promote environmental and/or social characteristics in accordance with Article 8, or have sustainable investment objectives in accordance with Article 9 of the SFDR Regulation.

In particular, in 2025, most of the UCIs launched by Eurizon Capital SGR S.p.A. and Eurizon Capital SA integrated ESG factors into the investment analysis, selection and monitoring process; the main strategies adopted concerned (i) products with different time horizons that provide for the protection of invested capital, (ii) flexible "step-in" strategies, with different levels of target equity exposure, to gradually invest in equity markets, and (iii) "buy&watch" funds to manage bond portfolios with decreasing duration. Within the Luxembourg-domiciled funds promoted by Eurizon Capital SA, the offering has been enhanced with the launch of a new range of passive funds (Your Index SICAV), which also feature an ETF share class. Almost all equity funds and corporate bond funds are classified under Article 8 of the Sustainable Finance Disclosure Regulation (SFDR), as are government bond funds, with the exception of single-country funds. It should be noted that the subsidiaries Epsilon SGR S.p.A. and Eurizon Capital S.A. were merged by incorporation into Eurizon Capital SGR S.p.A., which now operates in Luxembourg through the new branch Eurizon Capital SGR S.p.A. – Luxembourg Branch, with effect from 1 March 2025 and 1 December 2025, respectively.

In line with its Net Zero ambition, from 2022 to 2025 Eurizon progressively increased investments in climate solutions, particularly in green and sustainability bonds, reaching the target of 4% of total assets under management (AuM). Eurizon Capital SGR complements its product range with three funds specialised in investing in green bonds. In particular, Eurizon Fund

[286] Entity-specific metric.

- Absolute Green Bonds, established in 2018, Eurizon Fund - Green Euro Credit, established in February 2021 and Eurizon Fund – Aggregate Green Bonds Short Term, established in November 2025.
These funds qualify under Article 9 of the Regulation (EU) 2019/2088 and are considered impact investments, as they use investment selection methodologies aimed at generating measurable environmental impact alongside a financial return.

Also with reference to institutional mandates, the investment process takes into account the integration of ESG criteria in its investment choices in accordance with the provisions of the SFDR Regulation and in line with the requirements set by each individual customer. In particular, all mandates comply with the negative screening criteria. A specific ESG report is regularly produced on a large number of mandates (61 mandates with a value of 16.5 billion euro managed), indicating the positioning of the portfolio with respect to the reference benchmark. Upon request, a report detailing the engagement activities carried out by the SGR with issuers included in the managed portfolios is also shared on a periodic basis. The AM Division manages a total of 39 mandates relating to 23 non-captive customers, corresponding to approximately 11.7 billion euro, for which specific investment restrictions are implemented and/or support is provided to customers in engagement and corporate governance activities. At the level of insurance mandates and captive open pension funds, the AM Division manages a total of 84 mandates for approximately 49.9 billion euro in assets under management, on which specific ESG integrations under Article 8 SFDR are implemented.

For further information on the aforesaid Eurizon Capital SGR products, see the “Sustainability” section of Eurizon Capital SGR S.p.A.’s official website, where you can also access the Green Bonds Impact Report document.

Actions on sustainability-conscious investment products - Private Banking

Regulatory developments envisaged by regulators and the civil society’s continued attention to the transition to a more sustainable economy have led the Group to further intensify its commitment, initiatives and improved approach to sustainability, confirming the focus and strategic importance of the ESG Programme launched in June 2021. The project is ambitious and transversally involves all company functions, aiming to integrate sustainability into all aspects of business management and operations.
In line with the objective stated in the 2022-2025 Business Plan relating to the development of ESG advisory services, in 2023 Fideuram supplemented its service model based on customised advice to manage the sustainability preferences of its customers, which since2021 have been collected by using the MiFID profiling questionnaire. Since the end of 2024, a new questionnaire has been adopted where sustainability preferences are further detailed, as required by the policies.

In order to ensure the dissemination of ESG products among customers, the Private Banking Division has set progressively more challenging goals for the period 2022-2025, both with respect to the number of asset management products on the market classified as Articles 8 and 9 SFDR in relation to the total number of products being placed, and with respect to the number of new asset management products classified as Articles 8 and 9 on the total number of new products being placed. Also in 2025, the new offer was strongly directed to solutions that reflected the criteria adopted by the Division in terms of ESG with an incidence of over 87% of the products pursuant to Articles 8 and 9 on the total number of new products.

Within the scope of the firm’s products and services, during the year the Step-In programme continued for various Article 8 global equity product lines included in the FOGLI and OMNIA portfolio management scheme ranges.
As part of the reorganisation of the Group’s Wealth Management Division, 14 Article 8 portfolio management schemes of Eurizon Capital SGR were transferred to the Investment Center of the PB Division.
With regard to the Fideuram Vita Futura insurance wrapper, with a view to expanding the range of Article 8 products, a new internal insurance fund – FV Equity World Step-In Smart Dynamic 7 – was launched.
Finally, Fideuram Asset Management Ireland dac expanded its range of Art. 8-classified funds with the launch of two new Willerfunds – Private Suite sub-funds: JPM Global Aggregate Bond and PIMCO European Income Bond; in addition, a new ETF under Art. 8 SFDR, tracking the MSCI EMU equity index, was added to the D-X ETF platform.
The numerous mergers between sub-funds carried out during the year, together with the review of certain strategies, led to an increase in assets allocated to funds, mainly those in the Ailis series, classified under Articles 8 and 9 of the SFDR.
As an addition to the Group’s product offering according to the Guided Open Architecture approach to meet even the most sophisticated needs, customers can also find third-party ESG products on offer in the catalogue in collaboration with leading international investment houses.
The ESG investment approach is a distinctive and quality factor in the asset management industry. Similarly, an understanding of the ESG investment logic is crucial in financial advisory service provision so that its value points can be shared with customers. During the year, the Group, also with a view to supporting the expansion of the ESG product offering, launched a number of educational and training activities.

In the area of training/information, the role of “ESG Ambassador” was created: consultants called upon to promote, in their respective territories, the culture of sustainability with a twofold purpose: disseminate ESG matters and sustainable behaviour, and listening to the needs of customers and other private bankers.
Following the conclusion of the pilot phase in 2024, the following activities were identified in 2025 to manage the initiative on a steady-state basis: formal recognition of the role by the network structure and the development of an editorial plan of informational and educational content to be presented to the ambassadors.

Sustainable insurance

Policies on sustainability-conscious insurance products

In line with the strategic objectives of the Intesa Sanpaolo Group and the increasing importance of integrating ESG factors within the financial and insurance sectors, the Intesa Sanpaolo Assicurazioni Group (hereinafter also the “Insurance Group”) has continued over the years its path of developing environmental and social issues. In this context, the Group has defined tools to oversee governance and manage ESG-related risks through the assignment of roles and responsibilities, the adoption

of policies, and the implementation of concrete actions and initiatives aimed at further strengthening internal governance while at the same time generating a tangible and meaningful impact for its customers.
The Insurance Group has long adopted a "Sustainability Policy", which sets out the principles and standards used to ensure the responsible management of its business. The Policy aims to support the Group's strategic decisions by integrating ESG principles within the organisation, to promote the implementation of concrete actions that create sustainable value over time, to communicate its sustainability vision to all stakeholders, and to identify, manage, monitor and report the risks arising from exposure to relevant ESG factors, while also promoting a culture of sustainability.

In addition, the Sustainability Policy is submitted to the Intesa Sanpaolo Assicurazioni Board of Directors for approval and is adopted by the Boards of Directors of all the Insurance Group Companies. For more details, please refer to the document "Sustainability Policy of the Intesa Sanpaolo Assicurazioni Group", which can be viewed on the Insurance Group's official website.
With specific reference to consumers, the Policy sets out a number of commitments, including expanding the range of products with ESG characteristics, investment options and services across all business lines, both in the Life and Non-Life segments, in order to meet customers' needs, which are increasingly oriented towards sustainability issues. It also includes a commitment to fair claims settlement for customers, in line with high standards of management and timeliness, as well as the promotion of insurance culture and raising awareness among both customers and non-customers about the value of insurance protection.
These commitments form part of the broader sustainability journey of the Intesa Sanpaolo Assicurazioni Group, which is also shared with its stakeholders through institutional channels, taking into account the United Nations Sustainable Development Goals (SDGs) and the Principles for Sustainable Insurance (PSI), signed in 2019, as well as initiatives such as the United Nations Global Compact, UNEP Finance Initiative and the Equator Principles. Again as evidence of this commitment, at the end of 2021 the Intesa Sanpaolo Assicurazioni Group joined the Net Zero Asset Owner Alliance (NZAOA) through the Last Italian Parent Company (USCI) Intesa Sanpaolo Assicurazioni, and in April 2024 joined the Forum for Insurance Transition to Net Zero (FIT).

In the area of investments, the Insurance Group has adopted a "Policy for the integration of ESG sustainability factors in the investment process", which defines the principles and sustainability standards guiding the responsible management of investments. This Policy includes both engagement activities with issuing companies, aimed at verifying the adoption of environmental objectives and policies, with a focus on long-term transition plans for emissions reduction, and exclusion strategies for issuers based on Principal Adverse Impact (PAI) indicators, applied to those issuers considered "critical" and to those that do not comply with good governance practices (the latter applies exclusively to products under Articles 8 and 9 of the SFDR).
Exclusions are also applied to sovereign issuers that are more exposed to sustainability risks, identified through the analysis of specific environmental and reputational indicators. In addition, the Policy is subject to continuous monitoring in order to integrate any new initiatives that allow for an ever greater integration of sustainability standards into the investment process; the principles contained therein are defined by the Insurance Group and more specifically by the Board of Directors and apply to all Intesa Sanpaolo Assicurazioni Group companies.

In the non-life sector, the Insurance Group has adopted an Underwriting Policy that applies to the Intesa Sanpaolo Protezione company with the aim of establishing the principles and macro-processes that guide the identification, assessment, management, monitoring and reporting activities related to underwriting risks. The goal of the policy is to set out the criteria for guiding underwriting activity having regard to technical ESG risks.
The Board of Directors is responsible for the overall implementation, maintenance and monitoring of the corporate governance system, in accordance with its directives and in compliance with the roles and tasks assigned to it.

Actions on sustainability-conscious insurance products

The Intesa Sanpaolo Assicurazioni Group is committed to supporting the transition to a net-zero-emission future, strictly complying with the Intergovernmental Panel on Climate Change (IPCC)'s scientific indications and the objectives of the Paris Agreement and the NZAOA Protocol. In this context, a target was set for a 50% reduction in EVIC (Enterprise Value Including Cash)-weighted carbon intensity by 2030 (compared to 2021[287] levels) with the aim of achieving climate neutrality by 2050 and limiting the global temperature increase to 1.5°C.

Within the Policy for the integration of ESG sustainability factors in the investment process, the Group has formalised its emissions reduction strategies through the following decarbonisation levers and initiatives, applied on a continuous basis:
- exclusion of issuers operating in sectors or activities with significant environmental or social impacts, identified through Principal Adverse Impact (PAI) indicators;
- exclusion of critical issuers, namely companies with high exposure to environmental, social and governance risks and with ESG sustainability ratings among the lowest within the corporate investment universe;
- exclusion of sovereign issuers most exposed to sustainability risks, identified through specific environmental and reputational indicators;
- for products classified under Articles 8 and 9 of the SFDR, exclusion of issuers that do not comply with good governance practices, assessed in terms of corporate management, employee relations, remuneration policies and tax compliance;
- active engagement strategies aimed at analysing companies operating in sectors with a high environmental impact. The Insurance Group promotes proactive engagement with issuers by exercising participatory and voting rights, including through delegated managers and by engaging with investees, encouraging effective communication with the Management of the companies (i.e. "active ownership – engagement"). At the same time, the Insurance Group is committed to engaging in dialogue with oil & gas companies and third-party operators to promote a sustainable transition, encouraging companies to set emissions reduction targets based on scientific research, publish detailed transition plans, align corporate strategy

[287] The baseline used to define the target was calculated on the scope of direct investments in listed equities or corporate bonds, relating to Class I separate management portfolios and proprietary assets, for a total of approximately 22 billion euro.

and investments with decarbonisation goals, combat fugitive methane emissions, avoid dependence on unconventional, carbon-intensive oil and gas, and forego new investments in drilling in sensitive areas such as the Arctic;

The Insurance Group's offering includes insurance policies covering both the Life and Non-Life segments and provides insurance, pension and financial products, primarily aimed at customers of the Intesa Sanpaolo Group.

In the Life segment, the Insurance Group operates through Intesa Sanpaolo Assicurazioni and Fideuram Vita. The products offered can be subscribed to mainly by individual customers and, for certain products, also by legal entities. Among the products offered are savings and investment solutions (multi-line products, unit-linked policies and Class I policies), supplementary pension products, and pure protection solutions (term life insurance).
The Insurance Group aims to offer products that promote environmental or social characteristics within the meaning of the SFDR Regulation (classified under Article 8), by integrating ESG criteria and targeted savings and investment solutions for specific customer segments, such as family members of people with disabilities, minors and legally incapacitated individuals requiring a legal guardian, and Non-profit Sector organisations.

Within the Non-Life segment, the Insurance Group operates through Intesa Sanpaolo Protezione, offering a wide range of products dedicated to the protection of individuals—including health and accident coverage, also benefiting more vulnerable groups—vehicles and homes, as well as products specifically designed to meet the needs of SMEs and the Corporate segment. Within this framework, the Group promotes healthcare solutions aimed at ensuring fair and timely access to medical care and preventive services, with particular attention to older people and caregivers, by integrating innovative care models and safeguarding the financial stability of families. This is achieved by offering products that cover medical expenses, specialist visits and preventive services, as well as group policies for health-related events and accidents.

The Group's offering also includes solutions proposed to promote sustainable and environmentally friendly mobility, such as specific breakdown services for electric vehicles or policies that reward reduced vehicle use, based on distance driven. The Non-Life offering also includes coverage against catastrophic risks and natural events, aimed at both Retail customers and businesses, with particular attention to climate-related damage. It also includes solutions dedicated to protecting renewable energy generation systems, designed mainly for the Retail segment.
These covers not only provide adequate protection but also help raise customer awareness, encouraging them to adopt behaviours that help mitigate the consequences of natural events through measures aimed at reducing risk and the related damage caused by extreme weather events. In particular, for customers who adopt these preventive measures (for example, the installation of protective devices or the adoption of structural solutions), the Company has introduced specific incentives, such as the elimination of the deductible or excess.

For further details regarding the commitments and performance of the Insurance Group, please refer to the Consolidated Sustainability Statement of the Intesa Sanpaolo Assicurazioni Group.

Governance information

ESRS G1 – Business Conduct

Policies, targets and actions related to corporate culture

Policies related to corporate culture

Corporate culture is the foundation of the Intesa Sanpaolo Group's identity and strategies. Guided by the principles of integrity, sustainability, inclusion and social responsibility, it represents a key element in the implementation of the Group's strategy and guides corporate decisions and everyday behaviours, creating value for customers, employees, shareholders and communities.

To strengthen the sense of belonging and promote a shared corporate culture, through the "Culture, Inclusion and Corporate Governance Internal Communication" structure—dedicated to the development of corporate values and culture—the Group aims to further enhance its identity heritage, encouraging the active participation of all its people and ensuring consistency across different geographical and generational contexts. Through the coordination and enhancement of the many cultural initiatives already in place, the Culture, Inclusion and Corporate Governance Internal Communication function helps to strengthen a cohesive, inspiring and future-oriented working environment, in line with the principles of responsibility and sustainable development that guide the Group.
Tools such as the Code of Ethics, the Principles on Diversity, Equity and Inclusion, and the Internal Code of Conduct ensure alignment with international standards and promote an ethical and inclusive environment. Investing in corporate culture enables the Group to meet global challenges, strengthening its leadership role in the banking sector also on sustainability topics. For further details on the impacts, risks and opportunities covered by the policies relating to corporate culture, please refer to the IRO table set out in the paragraph "Materiality analysis" in the ESRS 2 – General disclosures chapter.

The Code of Ethics (hereinafter also referred to as the Code) is a voluntary self-regulatory instrument adopted by all the companies of the Group and forms an integral part of the sustainability management model. The Code sets out the Group's mission, corporate values and principles governing relations with stakeholders. For some particularly important areas (e.g. human rights, employment protection, environmental protection and fight against corruption) it lays down rules and principles in line with the main international standards.

The Code and any updates thereto are approved, with the support of the Risk and Sustainability Committee (SRC), by the Board of Directors (BoD) of Intesa Sanpaolo S.p.A., in its capacity as Parent Company, and brought to the attention of the competent bodies of the subsidiaries for their implementation. Compliance with the principles and values of the Code of Ethics is monitored by the Chief Sustainability Officer Area and the Chief Audit Officer's structures, the latter on the basis of the annual risk-based audit programme. Finally, an independent third party may be tasked with analysing implementation of the principles of the "Code of Ethics", in line with the international ISO 26000 Guidelines. In this context, it is noted that the Chief Sustainability Officer area presents a report on the Code of Ethics and on the principles of social and environmental responsibility to the Management Control Committee (CCG) and the Supervisory Body pursuant to Legislative Decree 231, to the Risks and Sustainability Committee, and to the Board of Directors, with the contribution of the Chief Audit Officer area in monitoring compliance with the principles and values set out in the Code of Ethics. For further details, please refer to the paragraph "Sustainability governance" in the ESRS 2 – General disclosures chapter.

The "Code of Ethics" is also inspired by the main national and international guidelines on corporate social responsibility (in addition to those mentioned in the paragraph "The Group's commitment to human rights" in the ESRS S1 - Own workforce chapter) including:

- OECD Due Diligence Guidance for Responsible Business Conduct;
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the Ten Principles of the UN Global Compact (ten fundamental principles relating to human rights, labour standards, environmental protection and anti-corruption).
- Council of Europe Convention on Preventing and Combating Violence Against Women and Domestic Violence (also known as the Istanbul Convention);
- Charter of Fundamental Rights of the European Union.

In cases of alleged non-compliance with this Code, reported by any stakeholder, the Group reserves the right to take the appropriate measures, based (in cases other than fraudulent conduct or acts infringing specific laws, contracts or regulations) on a constructive approach, including via training programmes, to reinforce the Group people's awareness of and compliance with the values and principles laid down in this Code.

To promote the dissemination of its principles, the Code of Ethics is published on the Group's intranet and official website so as to be accessible to all stakeholders. In addition, the Code is provided to each Director, employee or external collaborator upon appointment, hiring or start of the collaboration. On receiving the Code, the persons concerned sign a document declaring that they have received and read it, and pledge to comply with its principles. In this regard, as an additional guarantee for all stakeholders, a Code of Ethics email address (codice.etico@intesasanpaolo.com) is available to anyone wishing to report any alleged non-compliance, with an obligation of confidentiality and non-retaliation.

The Chief Sustainability Officer area actively contributes to awareness-raising initiatives aimed at disseminating the culture and values of the Code of Ethics and more in general of the sustainability culture, both within the Group and to the various stakeholders. These values, principles and commitments are disseminated within the Group through training and communication activities aimed at translating ethical principles into consistent strategic choices and into concrete behaviours

in day-to-day operations. In particular, training courses are created with content suitable to the role of each person and developed according to a process that will complete their professional training and foster personal growth. In addition, training contents were revised during 2025, maintaining a general part and three levels of in-depth analysis of the requirements for compliance with all corporate rules. For more details, see the document Code of Ethics available on the Group's official website.

The Group has adopted Principles on Diversity, Equity & Inclusion ("DE&I Principles") to give concrete force to its commitment to promoting and spreading, both internally and externally, an inclusive policy that values all forms of diversity. Intesa Sanpaolo Group's DE&I Principles lay out the framework of its inclusive approach to all forms of diversity, based on respect for all individuals, the enhancement of talent, meritocracy and equal opportunity. It also sets out concrete commitments for the promotion of an inclusive environment and identifies the conduct expected of all Group people. For further details, please refer to the paragraph "Diversity, equity and inclusion policies" in the ESRS S1 – Own workforce chapter.

The Group has also adopted an Internal Code of Conduct (hereinafter also referred to as the "Internal Code"), which is supervised and monitored by the competent governance and control functions. The Internal Code is the document that, drawing inspiration from the values expressed in the Code of Ethics, indicates the conduct to be maintained or avoided in order to pursue with professionalism, diligence, honesty and fairness the interests of the company, customers, shareholders and society as a whole, as it defines the essential rules of conduct to be followed by all Group personnel. The Internal Code is also addressed to management and supervisory bodies, non-employee financial advisors, agents, external collaborators and interns. In this context, the Chief People & Culture Officer Area is responsible for updating the Internal Code of Conduct and obtaining its approval by the Risk and Sustainability Committee (SRC) and the Board of Directors (for further details, see the paragraph ESRS 2, "Sustainability governance" in the ESRS 2 General disclosures chapter).

In light of the above, the subsidiaries must adopt the Internal Code by resolution of their competent Corporate Bodies. At that time, they may make additions and amendments, to add stricter solutions or take into account the specific features of the subsidiaries. Any such changes must be submitted to the Parent Company for prior approval. As regards branches and offices of the Intesa Sanpaolo Group located in foreign countries, the Internal Code, without prejudice to its principles, may undergo adaptations to align it with local regulatory requirements. For more details, see the document "Group Internal Code of Conduct", available on the Group's official website.

Targets related to corporate culture

As illustrated in the section "Policies related to corporate culture", the controls implemented by the Group enable continuous monitoring and targeted oversight of this area. In particular, in order to ensure the effective implementation of the provisions set out in the Code of Ethics, the Principles on Diversity, Equity & Inclusion and the Internal Code of Conduct, specific and detailed training activities are provided for Group employees aimed at promoting the values recognised in the aforementioned documents, in addition to controls designed to address any breaches thereof.

Actions related to corporate culture

During the year, the Group continued a broad listening and analysis process aimed at gaining an in-depth understanding of awareness and perception of its organisational culture, as well as the values and behaviours that guide people's day-to-day actions, with the aim of promoting a coherent evolution of internal communication in line with the company's strategy and mission. The initiative involved the Leadership and the entire company population, in Italy and abroad, through an integrated approach combining qualitative and quantitative analysis structured across several complementary phases.

In the first quarter, a documentary analysis was conducted on more than two thousand institutional sources and news items published on the Group's intranet – including institutional documents, Business Plans, previous surveys and official communications – using a combined approach based on manual analysis methodologies and generative artificial intelligence tools. The activity provided a systemic view of the main value dimensions expressed and of their consistency across internal and external communication.
In the second quarter, the periodic Climate Survey – conducted every two years and addressed to all Group employees – was carried out. It enabled a deeper understanding of perceptions regarding the organisational context and the reference values, highlighting a high level of participation (the questionnaire, available in several languages, recorded an overall participation rate of 65.6%). The results were presented to the Board of Directors in September and subsequently shared with all Group employees through the company intranet. The job satisfaction level of the Group's employees stood at 82%.
In addition, focus groups were launched within the International Banks, moderated by experts in the local language, with the aim of exploring in greater depth the perception of the guiding values and the distinctive cultural elements of the Group's International Banks.
At the same time, a Cultural Survey was carried out, a quantitative and qualitative in-depth analysis of the perception of the Group's cultural status, aimed at identifying strengths and development opportunities in line with the planning and the strategic objectives defined. The survey involved the entire corporate population.
The set of initiatives dedicated to listening forms part of a medium- to long-term evolutionary path aimed at consolidating, disseminating and passing on the Group's culture.
In this context, the Code of Ethics also plays a role. Its drafting starts from a context analysis and external benchmarking and involves the Sustainability Managers, as well as the Governance and Business functions.

To ensure compliance with the values and principles set out in the Code of Ethics, the Group delivers compulsory training courses to its people on an ongoing basis. Courses are permanently available on the company's internal platforms (in Italian, English and the local languages of the foreign entities).
Similarly, with regard to the Group Internal Code of Conduct, the Group provides mandatory training courses on a continuous basis in digital format. These courses are always available on the corporate platforms dedicated to Group employees (in both Italian and English). Specific training courses have also been provided for employees of the banks within the International Bank Division (IBD).

In 2025, new modules were published that supplemented and updated the training programme on the Code of Ethics, with the aim of presenting the Code as a strategic tool to guide behaviour and decision-making in line with the company's values. Particular focus was placed on the stages in the development of the document – from its approval through to its dissemination – and on the risks associated with its violation, with specific reference to the active role that each employee must play in applying it in their day-to-day choices and behaviours, both within and outside the Intesa Sanpaolo Group.
A new collection of mandatory training modules on the Corporate Sustainability Reporting Directive (CSRD) has also been published, including an in-depth overview of the Group's main social, governance and environmental policies, starting from the concept of double materiality through to the Group's internal control system.

Training courses on the Code of Ethics, the Internal Code of Conduct, Corruption Risk, and Whistleblowing are systematically updated, reinforcing the message around the values that distinguish the Group and that inspire all processes, as well as initiatives relating to corporate culture. In addition, with the aim of further strengthening oversight of training, mechanisms are in place within the Group's incentive system that provide for an impact on the variable performance bonus (PVR) in the event that mandatory training is not completed, in accordance with the Group rules governing the completion of mandatory training. For further details, please refer to the paragraph "Training and skills development" in the ESRS S1 – Own workforce chapter.

Policies and actions relating to compliance with tax legislation

Policies relating to compliance with tax legislation

In compliance with the Code of Ethics, the Intesa Sanpaolo Group – as a whole – is committed to observing principles based on the values of honesty and integrity in the management of tax matters, to complying with the tax regulations applicable in the countries in which it operates, and to maintaining a cooperative and transparent relationship with the tax authorities, including through participation in cooperative compliance regimes (hereinafter also referred to as cooperative compliance).
The Group recognises the importance of contributing to the communities in the jurisdictions in which it operates by paying the appropriate amount of taxes. For this reason, particular attention is paid to developments in tax legislation, both domestic and international, with an ongoing commitment to complying with the principles aimed at combating tax base erosion and profit shifting.
From this perspective, the Group has adopted principles of conduct intended to guide the management of tax matters across the Group's companies.

Moreover, the adoption of the Principles of Conduct in Tax Matters ("Principles") constitutes one of the requirements for access to the cooperative compliance regime with the Italian Revenue Agency, introduced in Italy pursuant to Legislative Decree No. 128/2015, as subsequently amended. It also attests to the Group's explicit commitment to comply with the obligations set out in the Code of Conduct for taxpayers participating in the cooperative compliance regime, as provided for by the same Decree[288].
The Principles of Conduct in Fiscal Matters, updated during 2025, form an integral part of the internal control system adopted by the Group for the management and mitigation of tax risk (hereinafter also referred to as the Tax Control Framework or TCF, according to international terminology), designed and implemented in line with OECD standards.
The Principles are set out below:

- Corporate Responsibility: in accordance with the principle of Corporate Responsibility, the Group acts in line with the values of honesty and integrity in the management of tax matters, recognising that tax revenues represent one of the main sources contributing to the economic and social development of the countries in which it operates;
- Legality: the Group pursues conduct aimed at complying with the tax regulations applicable in the countries in which it operates and adopting interpretations that enable responsible management of tax risk, so as to be able to meet the interests of all stakeholders and safeguard its reputation;
- Tone at the top: the Board of Directors defines the Group's principles of conduct in fiscal matters and ensures their application, thereby assuming responsibility for shaping and disseminating a corporate culture marked by the values of honesty and integrity and the principle of legality;
- Relationship: in light of its role both as a taxpayer for its own taxes and as a withholding agent for customers' taxation, the Group considers it strategic to maintain an advanced, cooperative, constructive and transparent relationship with the tax authorities. In this context, the Group ensures, among other things, that the authorities have a full understanding of the facts underlying the application of tax rules, also complying, where required, with additional documentation obligations (for example, for transfer pricing purposes). From this perspective, the Group promotes the participation of companies that meet the requirements set out in national regulations in cooperative compliance regimes, with the aim of establishing enhanced forms of relationship with the tax authorities;
- Soft Controls: Intesa Sanpaolo promotes a culture and values of tax compliance, also by disseminating behavioural standards, organising training courses and, more generally, initiatives open to all employees, with the aim of raising awareness and providing training on the topic across the entire organisation.

These Principles are also adopted by Intesa Sanpaolo in its capacity as Parent Company and are approved by the Board of Directors. The interpretation of the provisions contained in the Principles is entrusted to the Parent Company which, through the tax function located, from an organisational standpoint, within the Chief Financial Officer area, is also responsible for updating them. Where necessary, and at least once a year, the document is reviewed, also in order to take into account any significant changes in the external and/or internal context. Similarly, the tax function regularly prepares a periodic report on an annual basis, which is submitted to the Board of Directors of Intesa Sanpaolo. The report outlines the results of the monitoring of the Tax Control Framework (TCF) and the assessment and management of any tax risks identified in relation to the relevant tax period.
The Principles of Conduct in Fiscal Matters are published on Intesa Sanpaolo's institutional website and must be adopted by all Group companies, subject to approval by their respective bodies responsible for strategic supervision. For further details on

[288] Article 5, paragraph 2-bis.

the impacts, risks and opportunities covered by the policies relating to compliance with tax legislation, please refer to the IRO table set out in the paragraph "Materiality analysis" in the ESRS 2 – General disclosures chapter.

The adoption of the Principles means that each Group company must:
- comply with and apply all tax regulations of the countries in which it operates, and cooperate transparently with the tax authorities;
- fulfil tax obligations within the time and in the manner defined by law or by the tax authority, also using technological solutions to control the data underlying the calculation of taxes due by law;
- avoid forms of tax planning that may be deemed aggressive by tax authorities. In particular, each Company must not locate assets, artificially and for the sole purpose of reducing the Group's tax burden, in countries included in the European Union's list of non-cooperative jurisdictions for tax purposes or in the OECD's lis[t289]. Any presence of Group entities in such countries must be justified exclusively by business reasons;
- interpret the rules in a manner consistent with their spirit and purpose, without exploiting their literal wording;
- report the acts, facts and transactions undertaken so as to enable taxation consistent with the real economic substance of the transactions;
- enjoy the tax benefits and incentives provided by law only if they are in line with the business objectives and economic substance of the underlying business transactions;
- ensure transparency in its operations and in the determination of its income and assets by avoiding the use of structures, including corporate structures, that may conceal the actual beneficiary of the income flows or the ultimate holder of the assets;
- comply with the provisions on the appropriate transfer pricing of intragroup transactions, in line with the arm's length principle, matching as correctly as possible the income generated with the location of value creation, and avoiding allocating revenues or costs in ways that may generate tax evasion/avoidance;
- avoid using artificial structures or entities that are not related to its business activities for the sole purpose of circumventing tax regulations, generating situations of double deduction, deduction without inclusion or double non-taxation, or of disguising the economic and commercial reality through artifices or deceptive practices with the aim of obtaining an undue profit and/or an unfair competitive advantage;
- cooperate with the competent authorities to provide truthful and comprehensive information necessary for tax compliance and control;
- not offer customers products and services that allow them to obtain undue tax advantages not otherwise obtainable, and put in place appropriate safeguards to avoid involvement in non-tax-compliant transactions carried out by customers;
- establish cooperative relationships with the tax authorities, inspired by transparency and mutual trust and aimed at preventing conflicts, thus reducing the possibility of disputes. To mitigate tax risk and obtain prior clarification on interpretative doubts, the Group promotes agreements with local tax authorities. On the other hand, the Group does not enter into tax rulings[290] that grant preferential tax regimes or undue tax benefits;

Intesa Sanpaolo and the Group Companies also actively participate in industry associations that monitor and promote tax system developments. Directly or through these associations, they take part in public consultations and regulator support activities, to ensure a rational and fair development of the tax system.

Business functions and Head Office Departments that carry out transactions with potential tax impacts must comply with the Principles of conduct in fiscal matters and the Guidelines in the performance of their activities. Where the clearing processes adopted by the Bank do not already provide for the involvement of the Tax function, it is the responsibility of the business function (Division or Head Office Department) proposing/structuring the transactions to involve the Head of the Tax Function in advance to allow for an appropriate assessment of the tax effects and risks arising from their implementation.

Actions relating to compliance with tax legislation

The Group is committed to ensuring substantive, and not merely formal, compliance with the applicable legislation. To this end, it adopts preventive and control measures (so-called safeguards) and implements a structured system to prevent its involvement in violations, ensuring full cooperation with the Supervisory Authorities, as well as compliance with the relevant internal and external regulations.
The adequacy of the controls is assessed through checks on the effective implementation of the macro-processes relating to tax compliance. The main macro-processes include: conducting an annual risk assessment, regulatory alignment, advisory and clearing activities, first- and second-level assurance, the promotion of a compliance culture, interaction with the Authorities, the management of non-compliance events, and information flows to the Corporate Bodies.

Corporate regulations play a central role, defining the model for managing tax non-compliance risks based on general principles, the roles and responsibilities of the Bodies and structures involved, as well as the compliance macro-processes applicable also to the Group's Banks/Companies and to its international branches.

First- and second-level controls are generally formalised and include the identification of the responsible structure, the scope and methods of carrying out the control, the frequency, the criteria for assigning the outcome, the reporting methods, and evidence of any mitigation actions.

The Group has strengthened the internal control system for tax risk, referred to as the Tax Control Framework ("TCF"), making it ideal for managing the strategic nature of tax risk and to meet the requirements for access to the cooperative compliance scheme introduced in Italy pursuant to Legislative Decree 128/2015. In this regard, Intesa Sanpaolo has participated in the

[289] In this regard, reference is made to the updates on the work of the Forum on Harmful Tax Practices (Action 5 of the BEPS Project) within the Inclusive Framework, and to the list of work of the OECD Global Forum on Tax Transparency.
[290] Tax rulings are understood as advance tax agreements concluded between the taxpayer and the tax authorities.

Cooperative Compliance regime since 2017, the year in which the application was submitted. Under this scheme, Intesa Sanpaolo and the Italian Revenue Agency can carry out joint assessments of situations likely to generate tax risks through constant preventive contacts aimed at resolving potential disputes in advance.
The Group controls tax risks through the adoption of the Tax Control Framework, which includes processes, procedures, governance rules, ongoing maintenance activities and testing, as well as the use of technology to support the consistency of the data used in the calculation of taxes due by law.

The TCF makes it possible to monitor and measure tax risk, taking into account both tax compliance (compliance risk, managed in the risk maps where residual risk is highlighted) and the uncertainty arising from its application (interpretation risk, managed through the specific procedure leading to the measurement of the impact and materiality of tax uncertainty).

Tax risks impacting the Group are monitored and managed locally, but under the guidance and control of the Parent Company.

For the main entities of the Group, which participate in the collaborative compliance scheme, a closing note for the compliance year is prepared annually and signed by the Italian Revenue Agency and the individual Group company, which contains the results of the controls on the Tax Control Framework and the discussions carried out on significant tax risks (this closing note is also disclosed to the Board of Directors in the periodic report on the TCF).
During 2025, the Tax Control Framework (TCF) was subject to a review aimed at strengthening its effectiveness and its alignment with the bank's ethical and behavioural principles. This review enabled the Tax Control Framework (TCF) to be fully aligned with the Ministerial Decree of 29 April 2024 (as subsequently amended on 3 October 2024), concerning adherence to the code of conduct between the Revenue Agency and taxpayers, thereby strengthening the management of tax risk in line with the values of integrity, transparency and responsibility.
The strengthening of the TCF and the presence of second-level controls represent key elements of the organisation's approach, as they contribute to the sustainability of the business model, the protection of the company's reputation and the creation of long-term value.
In order to ensure that the Principles are implemented, the Group supports significant investments in technology aimed at adopting advanced digital solutions to control and streamline the management of direct and indirect taxation.
The Group pursues the prevention of disputes and the reduction of tax risk, also ensuring that the tax functions involved have the organisational significance, material resources and human resources needed to achieve the objectives, and that the relevant personnel are constantly updated, through the use of up-to-date databases and specialised information sources as well as regular training initiatives. Furthermore, the Group provides for regular training activities on topics of particular importance and topicality for functions other than the tax functions (both business and operational).

Intesa Sanpaolo, in adopting processes and procedures for the management of tax risk, in compliance with the above-mentioned Principles, ensures that the processes for the management of tax risk provide appropriate protection to internal and external stakeholders, in terms of risk mitigation (also in view of possible reputational impacts) and in the more general terms of safeguarding stakeholder value, understood as the stakeholders' interest in maintaining the company's value.
Therefore, Intesa Sanpaolo ensures that shareholders are given the opportunity to submit questions and queries prior to the shareholders' meeting for the approval of the financial statements, including with regard to tax-related matters. The questions asked and the answers given are published on Intesa Sanpaolo's website. Furthermore, the Group's whistleblowing system also applies to conduct that may involve infringements of the Principles and tax legislation.

Policies, targets and actions related to the prevention of corruption

Policies related to the prevention of corruption

The Group carries out its activities with the aim of providing banking and financial services to its customers in compliance with the value of integrity, which in turn is embodied in the principles of professionalism, diligence, honesty, fairness and responsibility, and in accordance with the values and restrictions contained in the Code of Ethics, the Group Internal Code of Conduct and the Organisational, Management and Control Model adopted pursuant to Legislative Decree 231/2001.
In this context, the "Group Anti-Corruption Guidelines" (hereinafter referred to as the "Anti-Corruption Guidelines") identify principles and sensitive areas, establish the roles, responsibilities and macro-processes for managing the risk of corruption, and define the commitment to comply with regulatory provisions aimed at combating corruption in all its forms (the "zero tolerance" principle). In this sense, the policy impacts on active cooperation in the fight against corruption and the mitigation of its risks. In particular, these activities concern the areas at highest risk identified by the "Anti-Corruption Guidelines" and establish management and organisational safeguards in the respective areas of activity. With reference to international standards, the Group has identified the following areas exposed to the highest risk of corruption, or which may be exploited to engage in corruption

- gifts and entertainment expenses;
- charitable donations and sponsorships;
- relations with third parties (suppliers and other parties that provide their services to the Group);
- purchase, management and disposal of equity investments and other assets;
- staff hiring;
- purchase, management and disposal of real estate.

In addition, the Guidelines enable the Group to know better the parties with which it deals in the performance of its activities and to maintain its credibility and trust with all stakeholders.

The process of monitoring the principles of the "Anticorruption Guidelines" comprises the following activities:
- analysis of the evolution of the legal framework;
- risk assessment;
- definition of first- and second-level controls;
- verification of implementation of the Guidelines;
- quality assurance.

The Group monitors the transactions in which it acts as a mere executor of customer instructions, using the money laundering risk and terrorist financing risk control system, set up to comply with the requirements of Legislative Decree 231/2007.

The "Anti-Corruption Guidelines" must be complied with by corporate officers and all Group personnel, and apply to all Group companies and all the countries in which the Group operates, with the exception of entities that perform only ancillary services and research activities. The "Anti-Corruption Guidelines" are also addressed to external parties (suppliers, agents, consultants, professionals, business partners, self-employed or para-subordinate workers, etc.) who cooperate with the Group in the performance of its activities (i.e. "third parties"). For this reason, the above-mentioned Guidelines are made available to all stakeholders through the Group's official website and to counterparties who are beneficiaries of charitable or sponsorship initiatives, as well as to third parties that collaborate with the Group, when formalising the relevant relationships. For further details on the impacts, risks and opportunities covered by the policies relating to the prevention of corruption, please refer to the IRO table set out in the paragraph "Materiality analysis" in the ESRS 2 – General disclosures chapter.

With respect to the functions involved, the "Anti-Corruption Guidelines" are approved by the Corporate Bodies. The topic falls under the supervision of the Chief Compliance Officer Governance Area.

At the operational level, Group personnel must immediately report any violations of the provisions of the "Anti-Corruption Guidelines" to their supervisor, who in turn must forward the report received to the Company's Anti-Corruption Officer and to the Internal Audit function for assessment. This is without prejudice to the possibility of using the reporting systems established under the rules on internal whistleblowing. For more information, see the following section "Whistleblowing Policies".

In this context, it should be noted that the Group's approach to fighting corruption is inspired by the fundamental principles contained in the relevant conventions by international best practices (OECD, Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; UN, Convention Against Corruption, Global Compact; Council of Europe, Criminal Law Convention on Corruption and Civil Law Convention on Corruption). In addition, the Group is subject to the three-year UNI ISO 37001:2016 certification procedure for Anti-Bribery Management Systems, which represents the relevant international standard, carried out by an external company; the current certification is valid until 2028.

Targets related to the prevention of corruption

As reported in the paragraphs in this section, the Intesa Sanpaolo Group has implemented a number of policies and actions to monitor corruption topics, including an anti-corruption policy and dedicated assessments in the ESG & Reputational Risk Clearing processes, carried out on the portfolio, for social and governance topics, although it has not yet established specific quantitative targets in this governance area.

In this context, the Group has put in place effective controls to continuously monitor and govern these topics, thereby pursuing the goal of preventing corruption and achieving the Group's objectives with honesty, fairness and responsibility, in full and effective compliance with the rules, professional ethics and the spirit of the agreements signed, even without a precise definition of quantitative and measurable targets within a limited time horizon.

Actions related to the prevention of corruption

The main actions implemented in the area of corruption prevention consist of the constant revision of the "Group Anti-Corruption Guidelines" (last update approved by the Board of Directors in 2025), the updating of the rules on the management of gifts and entertainment expenses, and the planning of compliance with the recommendations of the certification body for ISO 37001:2016. It should be noted that the Group obtained the renewal of the afore-mentioned certification during 2025.

The "Anti-Corruption Guidelines" are reviewed annually, usually by December of each year.
To prevent any instance of corruption, the Group adopts a risk assessment model that takes into account the operational and business features of each company, based on a qualitative-quantitative methodology derived from an assessment of the residual risk in relation to the risk inherent in the vulnerability of the organisational and control system:
- the assessment of inherent risk is based on seven risk factors consistent with the areas identified by the Guidelines, and on the geographic factor, assessed on the basis of a set of quantitative indicators (e.g. value of orders to third parties);
- the assessment of the vulnerability of the organisational and control systems is based on thirteen vulnerability categories developed on the basis of a qualitative questionnaire that refers to the macro-processes defined in the "Anticorruption Guidelines" and a set of quantitative indicators developed by correlating the risk mitigation elements (e.g. number of employees who completed training courses).

For the purposes of obtaining the ISO 37001:2016 certification, six-monthly audits on the areas of greatest risk of corruption are conducted by the Chief Compliance Officer Area. These audits include both level one checks (including enhanced due diligence) and level two checks.

The Group monitors the transactions in which it acts as an executor of customer instructions, using the money laundering risk and terrorist financing risk control system.

At the same time, the internal reporting systems, the person responsible for them, the processes for analysing the reports, the structures involved and the methods for reporting to the corporate bodies are governed by specific Group company rules on internal systems for reporting violations, as well as by the "Organisational, Management and Control Model" adopted by each Group company pursuant to Legislative Decree No. 231/2001, which ensure the confidentiality of the reporter, excluding the risk of retaliatory, unfair or discriminatory behaviour.

The reporting methods require the competent function to submit a quarterly report on its activities to the Management Control Committee, and an annual report to the Board of Directors. In the event of significant occurrences, information is also provided to the Managing Director and CEO, the Board of Directors, the Management Control Committee, and the Supervisory Body (OdV). In addition, within the framework of the periodic reporting to the Supervisory Body (OdV) of the Parent Company and of the relevant companies, evidence is provided of reports concerning matters considered sensitive for the purposes of Legislative Decree No. 231/01.

If the Chief Audit Officer, who is separate and autonomous from the audited structures, receives reports of any unlawful conduct or indicating a strong suspicion of a breach of anti-corruption principles or legislation, he/she shall promptly inform the Corporate Anti-Corruption Officer and take the action deemed most appropriate.

In this context, reporting to corporate bodies on anti-corruption matters is an integral part of the reports prepared by the Chief Compliance Officer Area on the basis of the information flows established under the "Regulation on Integrated Internal Control Systems and other communications". These include, on an annual basis, the identification, risk assessment and planning of management actions, as well as, on a six-monthly basis, the description of the activities carried out, the issues detected and the remedies identified.

Finally, the Group arranges for specific training initiatives on the subject, for the benefit of corporate officers and staff. The planned training initiatives are compulsory and traceable; specifically, they aim to strengthen understanding of the key concepts of the anti-corruption legal framework and application of the Guidelines in order to promote conduct consistent with the provisions they contain.

In support of this theme, training is also provided whenever the "Anti-Corruption Guidelines" undergo a significant revision. This is done by providing specific updating training, which is preferably delivered in digital mode, to ensure that the perimeters and functions/resources of the entire Group are reached, in the form of compulsory training and with an impact on the Broad-based Short-Term Plan (PVR) in the event of failure to attend the training.

The content of the training incorporates the rules in force at a general level ("Anticorruption Guidelines") and in response to the operations of the Business Units (rules and processes); in the event of updates during the year, the necessary additions are made available. In this context, the Group provides training to 100% of the structures involved in the sensitive areas identified as having a higher risk of corruption (identified above).

In addition, specific training to top management, called "Tone from the Top" is delivered annually. The objectives are similar to those defined for all anti-corruption training: in particular, the aim is to disseminate a corporate culture based on the values of honesty and integrity and the principle of lawfulness. The training is delivered via online sessions (virtual classroom with remote connection). This training consists of:

- induction for members of the parent company's Board of Directors;
- "board members programme", for members of the corporate bodies and top management of the Italian and international subsidiaries as well as top management of the foreign perimeter.

Metrics related to the prevention of corruption

As in the 2024 financial year, it is confirmed that the Intesa Sanpaolo Group has not been subject to convictions and/or sanctions for violations of anti-corruption and anti-bribery laws; consequently, no fines or penalties have been imposed on the Group.

Policies and actions relating to combating money laundering

Policies relating to combating money laundering[291]

Intesa Sanpaolo pays the utmost attention to compliance with national and international legislation aimed at preventing money laundering and combating terrorist financing. Financial crimes represent a serious threat to the lawful economy, with destabilising effects on the financial sector. Similarly, compliance with international financial sanctions and embargoes is extremely important for the Group and requires increasing efforts in light of the geopolitical landscape.

The Intesa Sanpaolo Group has adopted policies ("Guidelines") and regulations, as well as processes, tools and controls, aimed at mitigating the risk of being involved, even unknowingly, in money laundering activities, terrorist financing, and violations of sanctions and embargoes. This control model, which forms an integral part of the Integrated Internal Control System, is defined and implemented in compliance with legal and regulatory requirements and with the expectations of the Supervisory Authorities in the jurisdictions in which the Group operates, as well as with international standards such as the Recommendations of the Financial Action Task Force (FATF) and the Principles issued by the Wolfsberg Group. For further details on the impacts, risks and opportunities covered by the policies relating to combating money laundering, please refer to the IRO table set out in the paragraph "Materiality analysis" in the ESRS 2 – General disclosures chapter.

[291] The main information relating to anti-money laundering presented in this paragraph is also reflected in the section "Anti-Money Laundering Function" of the Notes to the Consolidated Financial Statements, Part E – Information on risks and relative hedging policies.

In particular, the Group Guidelines identify the applicable standards and define the risk management model in relation to money laundering, terrorist financing, and violations of sanctions and embargoes, including: (i) the general principles of the governance model; (ii) the roles and responsibilities of the corporate bodies and organisational structures involved; (iii) the macro-processes for combating money laundering and terrorist financing, and for managing sanctions and embargoes; and (iv) the model for the direction and coordination of the Group's Banks/Companies and International Branches. The Guidelines are reviewed annually. The various Group entities are required to adopt the Guidelines, adapting them to their respective corporate contexts and, in the case of foreign entities, to the specific requirements of local regulations. For further information, the document is made available to all internal stakeholders through the Group employees' intranet.

The principles set out in the Guidelines are translated into operational terms in the Rules for the Management of Compliance Macro-Processes and in the corporate rules relating to anti-money laundering, counter-terrorist financing, and the management of sanctions and embargoes. Specific processes and procedures have been defined in relation to customer due diligence, the reporting of potentially suspicious transactions, risk assessment and management, internal controls, the retention and archiving of data, information and documents, the adoption of automated systems for transaction monitoring, customer screening, and transaction filtering.

The role of Head of Anti-Money Laundering is assigned to the Head of the Anti-Financial Crime Department, who: (i) performs a supervisory role regarding the adequacy of the organisation of activities and the effective implementation of internal processes and procedures; (ii) through the Anti-Money Laundering Function, continuously verifies the effectiveness of corporate processes and procedures and proposes, in collaboration with the relevant corporate functions, the organisational and procedural changes necessary and/or appropriate to ensure adequate management of risk; (iii) also performs the role of Group Head of Anti-Money Laundering, responsible for the overall management of money laundering risk at Group level. The Head of Anti-Money Laundering also serves as Senior Staff Member responsible for the development, implementation and updating of policies, procedures and internal controls designed to ensure compliance with the applicable regulations on sanctions and embargoes, and acts as Group Senior Staff Member.

In addition, in line with the requirements set out in the Bank of Italy Measure of 1 August 2023 on organisation, procedures and internal controls, the Managing Director and CEO of Intesa Sanpaolo, in his capacity as the body responsible for management functions, has been designated as the Executive responsible for anti-money laundering. In this role, he ensures the implementation of strategic guidelines and governance policies relating to anti-money laundering and counter-terrorist financing, as well as sanctions and embargoes, ensuring that the Corporate Bodies have the information necessary to fully understand the significance of the risks to which the Bank is exposed. The Managing Director and CEO also acts as the Executive responsible for anti-money laundering at Group level. Within the Group banks and companies, the role of Executive responsible for anti-money laundering is generally assigned to the Chief Executive Officer (CEO), Deputy CEO, or equivalent, in line with the relevant corporate governance model and unless otherwise required by local regulations.

Actions relating to combating money laundering[292]

To manage the risks of money laundering, terrorist financing, and violations of sanctions and embargoes, the Intesa Sanpaolo Group has defined a structured and integrated approach. In particular, the Group has adopted a Risk Appetite Framework within which the Head of the Anti-Financial Crime Department, in agreement with the Chief Compliance Officer: (i) proposes the qualitative statements relating to the risks of money laundering, terrorist financing and violations of sanctions and embargoes; (ii) defines the limits relating to the quantitative Key Risk Indicators relevant for monitoring the risks within its remit; (iii) presents the risk profiles resulting from the AFC Risk Assessment and proposes any mitigation actions.

In monitoring the risks of money laundering, terrorist financing, and violations of sanctions and embargoes, the Intesa Sanpaolo Group has adopted the following guiding principles and reference values:

- inspiration from the values of honesty, fairness and responsibility, in substantive compliance with the Intesa Sanpaolo Group's Code of Ethics;
- active cooperation with Supervisory Authorities;
- adoption of control standards aligned with international standards and reasonably consistent across the Group, in compliance with the regulations applicable at local level;
- adoption of risk-based control measures proportionate to the characteristics and complexity of the activity performed and to the legal form, size and organisational structure of the various Group entities.

In addition, within the Group Risk Appetite Framework, the Group undertakes to:

- combat money laundering and terrorist financing by (i) carrying out customer due diligence and enhanced due diligence commensurate with the customer's risk profile, (ii) monitoring transactions to identify suspicious cases of money laundering or terrorist financing, (iii) fulfilling the obligations to report potentially suspicious transactions;
- safeguard the integrity of the financial and economic system, cooperate with the competent authorities in the application of sanctioning laws and regulations in the jurisdictions in which the Group operates. The ISP Group adopts a "zero tolerance" approach in relations with individuals or entities included in financial sanctions lists or with business activities involving – directly or indirectly – countries or territories subject to sanctions listed in the Group embargo management rules.

The dissemination, at all corporate levels, of a culture based on the principles of honesty, fairness and compliance with the spirit and letter of the rules is a fundamental prerequisite for risk control. The Anti-Financial Crime Department works with the Bank's other structures to establish effective communication channels and training tools, identifying training needs and preparing the content of training initiatives for all the Bank's employees, with a view to ensuring that staff, with particular attention to those involved in selling products and the heads of business units, have adequate knowledge of the relevant legislation, the

[292] The main information relating to anti-money laundering presented in this paragraph is also reflected in the section "Anti-Money Laundering Function" of the Notes to the Consolidated Financial Statements, Part E – Information on risks and related hedging policies.

obligations and related responsibilities, the consequences arising from failure to comply with these obligations and are able to use support tools and procedures with full awareness in carrying out the requirements laid down by legislation. On an annual basis, the training plan is approved by the Board of Directors and its implementation is monitored and reported on by the AML Function. In addition, specific initiatives aimed at disseminating a risk culture and raising the level of awareness of the risk approach include: (i) induction sessions for corporate bodies and workshops for top management on particularly sensitive or current topics (ii) specific training programmes for staff of the Anti-Financial Crime Department and operational and business units so that they are constantly updated on developments in the related risks, (iii) as well as specific induction sessions for the Anti-Money Laundering Officers of the Group Companies and International Branches.

During 2025, the Group, through the Anti-Financial Crime structure, focused its activities on a wide range of strategic priorities. Among these, the completion of the activities of the multi-year ENIF (Enabling Integrated Anti-Financial Crime) programme, aimed at reviewing and strengthening the Group's anti-money laundering, embargo and counter-terrorism controls, was of particular importance.

In parallel, progress continued on the Compliance Next Digital Transformation Programme, launched to implement initiatives based on innovative technologies to increase the effectiveness of the controls and the efficiency of the main compliance processes. In this context, initiatives aimed at strengthening the skills of Compliance resources continued, in order to support the Group's internationalisation process.

A further area of action concerned the mitigation of emerging risks associated with the development initiatives proposed by the Divisions, assessed jointly with the other corporate Control Functions as potentially high or medium-high in terms of compliance risk. These include the extension of the new Isytech technological system to the Group's various Divisions, the expansion of the offering of the digital bank Isybank, the strengthening of the international development of the Private Banking Division and the integration of the Romanian bank First Bank following its acquisition in May 2024.

The structure also carried out initiatives aimed at addressing the issues highlighted by the Group Risk Assessment, ensuring the alignment of internal legislation with the requirements arising from developments in external legislation and managing any new evidence arising from requests from the Supervisory Authorities or from assurance activities performed by the internal control functions.

Finally, constant support to the Divisions was ensured through advisory and clearing processes conducive to the development of new products, services and markets, as well as the most material transactions. To complete the controls,
guidance, coordination and control activities for the Group's entities, as well as assurance and training activities, were carried out.

Finally, in the context of international Private Banking, it should be noted that an action plan aimed at strengthening the framework of local controls in place to manage money laundering, terrorist financing and breaches of international financial sanctions and embargoes has been completed.

Metrics related to the prevention of corruption and combating money laundering[293]

The Group introduced new metrics (so-called entity-specific metrics) in the 2025 Report, for which comparative data are not presented. Specifically, the indicators presented below refer to training on the prevention of corruption and money laundering.

As detailed in the sections "Actions related to the prevention of corruption" and "Actions relating to combating money laundering", these metrics form part of the training initiatives aimed at all the Bank's people. In particular, the training pathways are aimed at developing technical, regulatory and operational skills to identify, prevent and manage risks linked to corruption and money laundering.

As at 31 December 2025, with reference to the Group's reporting boundary, 425,194 hours of specific training on the prevention of corruption and money laundering were delivered. The number of hours of specific training is defined as the sum of the duration of the teaching units delivered.
The programme involved 87.113 participants, counting only once those who attended both anti-corruption and anti-money laundering courses.
In particular, in 2025, the percentage of the Group's people who received specific training on the prevention of corruption and money laundering amounted to 96% of the corporate population. Mandatory training is planned on a cyclical basis and not necessarily annually; consequently, the coverage percentage reflects the status of the courses in the reporting period.

Table - Training on the Prevention of Corruption and Money Laundering

	2025
Hours of specific training [no.]	425.194
Participants [no.]	87.113
% of employees who received specific training on the prevention of corruption and money laundering	96%

[293] Entity-specific metric.

Whistleblowing policies, targets and actions

Whistleblowing policies

The Group has an internal whistleblowing system relating to both national and European regulations which harm the public interest or the integrity of Intesa Sanpaolo and the Group Companies (for example: administrative, accounting, civil or criminal offences; unlawful conduct pursuant to Legislative Decree no. 231/01; rules governing banking activities; conduct giving rise to conflicts of interest) or relating to internal company policies and/or procedures, which the whistleblower has discovered in the work context.

The reference internal rules on the matter, which are the responsibility of the Chief Audit Officer Area, are set out in a specific Group rules document on internal whistleblowing systems and are available for consultation by all persons working for the Intesa Sanpaolo Group on the company intranet. In addition, a summary description is also available on the Group's official website. For further details on the impacts, risks and opportunities covered by the policies relating to whistleblowing, please refer to the IRO table set out in the paragraph "Materiality analysis" in the ESRS 2 – General disclosures chapter.

In this context, the system is reserved for: employees and self-employed workers who work or have worked for the Group; persons who have a professional collaboration relationship with the Group; workers or collaborators who provide goods or services or perform work for third parties and work or have worked for the Group; freelancers and consultants who work or have worked for the Group; volunteers and trainees; shareholders (natural persons); and persons with administrative, control, supervisory or representative functions.

These individuals may report a violation via channels available 24 hours a day (e-mail or voice messaging) available on the Group's official website and on the Group's intranet portal, in Italian or English (international language of reference), or in the language of their country. Dedicated whistleblowing channels are active at the Group's foreign companies, to which reports can be submitted in the local language.

In addition, the Group puts in place appropriate controls to protect all those involved. In particular, it protects the confidentiality of the information received and the identity of the whistleblower, which is known only to those authorised to access the dedicated channels and can be disclosed only with the whistleblower's consent, and protects the whistleblower from retaliatory or discriminatory conduct, including attempts or threats of such conduct, as a result of the whistleblower's report.

With respect to the perimeter and the main figures involved, the head of the whistleblowing systems for the Parent Company and the Service Companies is the Chief Audit Officer. Said Officer is appointed by the Board of Directors of Intesa Sanpaolo S.p.A. and is assisted by a Delegated Manager who supports him/her in process supervision and reporting and by a specific team. The corporate bodies are provided with specific periodic reporting.

Targets related to whistleblowing

The Group has adopted rules, procedures and conduct regarding internal whistleblowing systems and provides mandatory training on whistleblowing. Reports are managed by involving the competent functions for the necessary checks and assessments, as well as for any risk mitigation actions or disciplinary measures, providing feedback to whistleblowers within the time limits set out by legislation. The entire process is carried out in accordance with confidentiality principles to protect whistleblowers, safeguarding them against potential retaliatory actions. Despite the lack of a precise definition of quantitative targets within a specific time horizon, the set of policies and actions adopted by the Group is effective and appropriate to protect whistleblowers and manage their reports efficiently.

Actions related to whistleblowing

In 2025, the activities to prepare and deliver mandatory training courses (already completed in 2024 for the Italy perimeter) were completed, involving the remaining companies in the foreign perimeter. The course syllabi covered the characteristics of the whistleblowing report, channels and safeguards of the individuals concerned, as well as the steps to manage the whistleblowing process.
The mandatory whistleblowing training courses already published in 2024 remain available for employees to consult.

In the fourth quarter of 2025, an information campaign on the issue was also launched, delivered through the company intranet, with the aim of maintaining an adequate level of attention among all staff on the whistleblowing process.

Ongoing updates also continued for the people managing the reports, in line with the provisions of Legislative Decree 24/2023 and for the structures most involved in the process.

Mandatory whistleblowing training courses are cyclical and not necessarily annual; therefore, the data on participation should be read in continuity with the entire time horizon presented. Overall, in addition to the employees who had used the training initiatives in 2024 (around 73 thousand), in 2025 the mandatory training courses launched during the year were completed by around a further 18 thousand employees of the foreign entities.

Metrics related to Whistleblowing reports[294]

The Group introduced new metrics (so-called entity-specific metrics) in the 2025 Report, for which comparative data are not presented. The indicators set out below refer to the number of reports received through the internal whistleblowing channels made available by the Group, their relevance and the initiation of specific checks.

[294] Entity-specific metric.

As at 31 December 2025, with reference to the Group's reporting boundary, a total of 65 reports were received through the internal reporting systems. Of these, 10 (15.4%) were found to be not relevant, while 55 (84.6%) led to the initiation of specific checks, already completed for 38 cases. In the first half of 2025, checks were also completed relating to 12 reports that were still ongoing in the previous year.

Table - Whistleblowing [no.]

	2025
Reports received	65
Reports deemed not relevant	10
Reports resulting in the initiation of specific investigations	55

Policies, targets and actions related to political engagement and lobbying activities

Policies on political engagement and lobbying activities

The Intesa Sanpaolo Group's internal policies provide that political parties and movements may not be recipients of donations and sponsorships, as set out in the Group's "Anticorruption Guidelines" in the section "Policies related to the prevention of corruption". Specific Group rules, in compliance with the Anti-Corruption Guidelines, clarify that the only form of credit facility in favour of political parties, affiliated associations and individual candidates — reserved to the competence of the Board of Directors — consists of the annual advance of the "2x1000 contribution"[295], against the assignment, to be notified in accordance with the law, of the amounts due to the parties under this form of contribution. In this regard, it should be noted that in 2025 no cases of this kind were submitted to the Board of Directors of the Intesa Sanpaolo Group, therefore the Group did not grant any credit facilities in this area.

In addition, the Intesa Sanpaolo Group adopts a structured system of internal regulations to govern the management of relations with institutions in the legislative, regulatory and operational fields. These rules support the coordination and consistency of the Group's activities, ensuring compliance with legal provisions, the protection of corporate interests and the promotion of transparent and effective practices in relations with institutions, regulatory authorities, market partners and relevant stakeholders. This approach helps to strengthen the Group's strategic positioning in a constantly evolving regulatory environment.

Specifically, the Group has put in place rules governing its interactions with the Supervisory, Resolution and Regulatory Authorities, to ensure regulatory compliance and protect the Group's strategic positioning. These rules cover the entire scope of the Group's activities, with a small number of exceptions relating to specific operational interactions, the criteria for which are detailed in specific internal Group regulations. For further details on the impacts, risks and opportunities covered by the policies relating to political engagement and lobbying activities, please refer to the IRO table set out in the paragraph "Materiality analysis" in the ESRS 2 – General disclosures chapter.

There are two main actors that are competent and responsible for interactions with the regulatory and supervisory authorities:

- firstly, the internal regulations identify "pivot structures", i.e. structures belonging to the Parent Company that are tasked with coordinating communications with each supervisory and regulatory authority and the consistency of such communications across the Group. A single structure is identified to avoid risks of inconsistency in communications with the authority and is optimal for effectively managing communications, ensuring a single point of contact and a comprehensive response. By way of example, the Institutional Affairs Head Office Department is responsible for managing official correspondence with Italian and international antitrust authorities, for all matters concerning competition and market protection legislation;
- the second actors are the "functional owners", i.e. Group structures engaged and identified by the pivot structure on the basis of the subject or scope of the individual contact or topic addressed, according to the competence identified from time to time. The functional owners, among other things, identify potential initiatives to mitigate negative impacts or to seize opportunities.

The regulatory framework adopted by the Group adheres to the standards and initiatives of the European Central Bank (ECB), the European Commission and the Financial Stability Board.

The needs of key stakeholders, including consumers, regulatory authorities and market partners, are all taken into consideration when establishing internal regulations.

Targets related to political engagement and lobbying activities

As explained in this section, the Intesa Sanpaolo Group has implemented a number of policies and actions to monitor lobbying issues (e.g. policies on relations with political parties, advocacy activities). However, the Group has not yet established specific quantitative targets in this governance area.

[295] Italian law (Decree Law no. 149/2013, converted with amendments into Law no. 13/2014) allows the taxpayer to allocate 2x1000 of IRPEF (personal income tax) in favour of a political party. The bank may therefore advance this amount, discounting the credit claimed against the State. This transaction does not constitute a direct loan from the bank to the political party.

Actions related to political engagement and lobbying activities

The Group plays a proactive role in regulatory processes, monitoring regulatory proposals (and, where appropriate, actively participating in related discussions through advocacy) for topics that may have a direct and indirect impact on the Group, particularly with regard to banking, financial and insurance legislation and the European ESG regulatory framework. In particular, advocacy work was carried out with regard to the initiatives reported in the metrics section on ESG issues (e.g., at the European level, some legislative initiatives related to the EU Green Deal strategy) and financial issues.

For all issues, including sustainable finance and direct environmental impacts, Intesa Sanpaolo cooperates with the relevant trade associations at all levels (national, European or international). For example, for sustainability aspects, there is ongoing collaboration with the Italian Banking Association (ABI) within specific working groups, to raise awareness in the financial and non-financial sectors on environmental sustainability topics and the forthcoming impact of regulatory developments, especially those on ESG disclosures.

At the European level, the Intesa Sanpaolo Group has interacted with lawmakers, the main trade associations and other stakeholders to promote and represent the various environmental sustainability initiatives of the Group. The Group, through its European Regulatory and Public Affairs structure, which is part of the Institutional Affairs Head Office Department, brings its best practices to the attention of policymakers, informs European officials about any technical aspects of the financial topics supporting sustainability, and describes the specific features of its context so that they can be taken into account during the legislative process.

Metrics related to political engagement and lobbying activities

Without prejudice to the legislation on public incompatibilities, it is noted that one Director has held a position in the public administration similar to that held in administrative, management and control bodies in the two years prior to taking on the current mandate.

As at 31 December 2025, Intesa Sanpaolo is registered in the European Union Transparency Register under the identification number 24037141789-48.

Below is a non-exhaustive list of some of the Group's main lobbying activities during 2025, divided into ESG legislation and legislation not strictly related to ESG issues.

ESG legislation

Directive (EU) 2025/794 of the European Parliament and of the Council of 14 April 2025, amending Directives (EU) 2022/2464 and (EU) 2024/1760 as regards the dates from which Member States are to apply certain obligations relating to corporate sustainability reporting and corporate sustainability due diligence; Proposal for a Directive of the European Parliament and of the Council amending Directives 2006/43/EC, 2013/34/EU, (EU) 2022/2464 and (EU) 2024/1760 as regards certain obligations relating to corporate sustainability reporting and corporate sustainability due diligence (the so-called Omnibus I Package)

The legislative proposal in question provides, on the one hand, for the postponement of certain application dates of the directives on sustainability reporting (Corporate Sustainability Reporting Directive – CSRD) and on corporate sustainability due diligence (Corporate Sustainability Due Diligence Directive – CSDDD), and, on the other hand, introduces substantive amendments to both regulatory frameworks. With reference to the Corporate Sustainability Reporting Directive (CSRD), Intesa Sanpaolo has worked together with industry associations to develop a sector position, highlighting the critical issues that have emerged and proposing possible operational solutions for a balanced and effective application of the regulation. Among the main critical issues raised is the absence of an exemption from the obligation for companies within the group listed on regulated markets to prepare individual sustainability reports, even where the parent company provides consolidated disclosure.

Revision of Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023, supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards, pursuant to Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, which amends Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards corporate sustainability reporting.

The revision of Delegated Regulation (EU) 2023/2772 forms part of the so-called Omnibus I Package and follows the mandate given by the European Commission to the European Financial Reporting Advisory Group (EFRAG) to review the sustainability reporting standards, with the aim of reducing administrative burdens while ensuring an adequate quality of sustainability disclosure. To this end, EFRAG has presented a proposed revision introducing substantial changes to the structure of the sustainability reporting standards, reflecting the need for simplification and greater efficiency of the regulatory framework. Intesa Sanpaolo supports the new architecture of the standards and has actively contributed to the public consultations, presenting its position both individually and in collaboration with industry associations, also highlighting certain critical issues. These include the introduction of the "fair presentation" principle and the absence of the possibility for financial institutions to report targets on financed emissions in terms of intensity values where absolute values are not available.

Commission Delegated Regulation (EU) 2026/73 of 4 July 2025, amending Delegated Regulation (EU) 2021/2178 as regards the simplification of the content and presentation of the information to be disclosed concerning environmentally sustainable activities, and Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486 as regards the simplification of certain technical screening criteria for determining whether economic activities do not significantly harm environmental objectives

This revision follows the so-called Omnibus I Package and represents an intervention through which the European Commission proposes amendments to the delegated acts relating to the reporting of Taxonomy alignment, as well as to the climate and environmental delegated acts. Intesa Sanpaolo welcomes this proposed revision, which aims to simplify and make more effective and useful the reporting relating to the EU Taxonomy, considering it essential to further strengthen the usefulness of

the Green Asset Ratio (GAR) as a KPI for sustainable finance. In this context, Intesa Sanpaolo has actively contributed to the consultation process launched by the European Commission, both independently and in coordination with the financial sector and industry associations, highlighting several critical aspects, including: (i) the structural asymmetry between the numerator and the denominator of the Green Asset Ratio (GAR); (ii) operational inefficiencies arising from inconsistencies between the EU Taxonomy GAR and the Pillar 3 GAR; (iii) the complexities involved in applying the "do no significant harm" (DNSH) principle; and (iv) the opportunity to eliminate the templates currently required for disclosures relating to the trading portfolio and fees and commissions.

Delegated Act establishing a general portfolio framework aimed at incentivising financial institutions to increase the expected volumes of energy performance–focused renovation, pursuant to Directive (EU) 2024/1275 of the European Parliament and of the Council of 24 April 2024 on the energy performance of buildings
Directive (EU) 2024/1275 grants the European Commission the mandate to establish, through a delegated act, a general portfolio framework for voluntary use by financial institutions, with the aim of supporting lenders in identifying and increasing lending volumes in line with the EU's decarbonisation ambition and energy objectives. Specifically, this initiative aims to effectively encourage banks to increase the volume of lending dedicated to renovations focused on improving the energy performance of buildings. Intesa Sanpaolo, in coordination with the financial sector and industry associations, actively participated in the consultation process launched by the European Commission in 2025, highlighting the importance of this initiative, inter alia, to strengthen public guarantee schemes in order to reduce credit risk and ensure financial institutions' access to Energy Performance Certificate (EPC) data, thereby enabling the enhancement of mortgage portfolios with classifications consistent with the EU Taxonomy. On this topic, Intesa Sanpaolo is also actively engaged within the European Coalition for Energy Efficiency Financing, as a member, contributing to the creation of a favourable market environment for investments in energy efficiency.

Proposal for the revision of 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
Regulation (EU) 2019/2088 establishes sustainability-related disclosure obligations for financial market participants. The proposal for the revision of the Regulation, presented by the European Commission on 20 November 2025, introduces significant amendments. Intesa Sanpaolo had already confirmed the importance of revising the Regulation in order to effectively simplify the current disclosure obligations and address the numerous issues related to the interpretation and implementation of the existing requirements. Intesa Sanpaolo has therefore welcomed this revision initiative. In coordination with the financial sector and industry associations, Intesa Sanpaolo contributed to the drafting of the sector position and actively participated in the consultation process launched by the European Commission, highlighting, inter alia, the need to simplify the current disclosures at both product and entity level and to develop a product categorisation framework consistent with the existing Regulation and the related financial legislation, capable of safeguarding the investments already made by financial market participants and ensuring objective criteria and regulatory consistency.

Regulations not strictly related to ESG issues
Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor (CRR III)
CRR III introduced changes regarding requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor. Together with the banking sector and trade associations, Intesa Sanpaolo has, inter alia:
- encouraged the further one-year postponement of the application of the Fundamental Review of Trading Book (FRTB) rules, now scheduled in January 2027, in order to ensure a level playing field with banks operating in non-EU jurisdictions;
- actively supported the CRR amendment relating to the application of the Net Stable Funding Ratio (NSFR), with the aim of ensuring treatment consistent with that adopted in other jurisdictions and avoiding disincentive effects for banks in sovereign debt intermediation activities, which could have resulted in a reduction in market liquidity;
- conducted, through trade associations, the consultations on the European Banking Authority (EBA) guidelines on ESG risk management and on scenario analysis;
- taken part in association activities in drafting the response to the EBA consultation on the implementing technical standards for Pillar 3 for the ESG section, supporting, consistently with the legislative simplification proposal currently under way – the so-called Omnibus I Package – the suspension of templates 6 to 10 on the topic of the Green Asset Ratio (GAR), an initiative supported by the EBA through the publication of a no action letter and by the European Central Bank.

In addition, Intesa Sanpaolo closely monitors the publication of the implementing technical standards and regulatory technical standards by the EBA, with particular attention to the topics of prudent valuation, the credit conversion factor and crypto-assets.

Proposal for a Directive of the European Parliament and of the Council amending Directives (EU) 2009/65/EC, 2009/138/EC, 2011/61/EU, 2014/65/EU and (EU) 2016/97 as regards the Union retail investor protection rules, COM/2023/279 final; Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 1286/2014 as regards the modernisation of the key information document, COM/2023/278 final (Retail Investment Strategy)
The "Retail Investment Strategy" (RIS) regulatory package includes i) a proposal for an omnibus Directive amending the Markets in Financial Instruments Directive (MiFID), the Insurance Distribution Directive (IDD), the Solvency II Directive, the Directive on undertakings for collective investment in transferable securities (UCITS) and the Alternative Investment Fund Managers Directive (AIFMD), and (ii) a proposal for a regulation amending the PRIIPs (packaged retail and insurance-based investment products) regulation. Intesa Sanpaolo considers the absence of a total ban on inducements to be positive. Intesa Sanpaolo has carried out advocacy activities, engaging in talks, where deemed necessary and/or appropriate, with relevant stakeholders.

Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 806/2014 as regards early intervention measures, conditions for resolution and funding of resolution action, COM/2023/226 final; Proposal for a Directive of the European Parliament and of the Council amending Directive 2014/59/EU as regards early

intervention measures, conditions for resolution and financing of resolution action, COM/2023/227 final; Proposal for a Directive of the European Parliament and of the Council amending Directive 2014/49/EU as regards the scope of deposit protection, use of deposit guarantee schemes funds, cross-border cooperation, and transparency, COM/2023/228 final (Crisis management and deposit insurance framework - CMDI)
The proposed reform of the current regulatory framework for bank crisis management and deposit guarantee schemes consists of three texts: i) the Single Resolution Mechanism Regulation (SRMR) (Regulation (EU) No 806/2014), ii) the Bank Recovery and Resolution Directive (BRRD) (Directive 2014/59/EU), and iii) the Deposit Guarantee Schemes Directive (DGSD) (Directive 2014/49/EU). Intesa Sanpaolo welcomed the objectives of the reform to preserve financial stability and protect taxpayers' money, protect the real economy from the impact of bank failures, and improve protection for depositors. Advocacy work by Intesa Sanpaolo was carried out both with trade associations and through direct dialogue with representatives of institutions, focusing on the provisions of the legislation concerning the instrument of irrevocable payment commitments (so-called IPC).

Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions as regards requirements for exposures to securitisation and Regulation (EU) No 2017/2402 establishing a general framework for securitisation
On 17 June 2025, the European Commission published a legislative proposal to relaunch the European securitisation market, focusing in particular on reducing undue operating costs for issuers and investors and adjusting the prudential framework for banks and insurers. Intesa Sanpaolo shares the European Commission's intent and monitors the ongoing legislative process by participating in the legislative debate, both directly and through trade associations.

Proposal for a Regulation of the European Parliament and of the Council on the establishment of the digital euro, COM/2023/369 final
On 28 June 2023, the European Commission published a regulatory proposal establishing the legal framework for a possible digital euro to supplement euro banknotes and coins. However, it will be up to the European central bank (ECB) to decide whether and when to issue it. The objective of this proposal, according to the European Commission, is to ensure that central bank money with the status of legal tender remains available to the general public, while at the same time offering a state-of-the-art and cost-efficient means of payment, ensuring a high level of privacy in digital payments, maintaining financial stability and promoting accessibility and financial inclusion. The proposal is currently being examined by the European Parliament and the EU Council. Intesa Sanpaolo is following the proposed regulation, which, if adopted, will have significant impacts on the payments world, and taking part in the legislative debate, both directly and through trade associations.

Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence and amending Regulations (EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828 (Artificial Intelligence Act)
Intesa Sanpaolo participated not only in the debate on implementing legislation for the Artificial Intelligence Act, responding to some public consultations, but also in consultation exercises on future strategic and legislative initiatives of the Commission, also focusing on the topic of Artificial Intelligence.

Regulation (EU) 2025/2075 of the European Parliament and of the Council of 8 October 2025, amending Regulation (EU) No 909/2014 as regards the introduction of a shorter settlement cycle in the Union
Regulation (EU) 2025/2075 amends Regulation (EU) 909/2014 (CSDR) by shortening the securities settlement cycle to one day ("T+1" rule) and sets 11 October 2027 as the date from which that rule will apply. Intesa Sanpaolo considers the provision of an exemption from the "T+1" rule for certain categories of securities financing transactions such as securities lending or borrowing, buy-sell back and sell-buy back transactions and sale and repurchase agreements (repos) to be positive, provided they are documented as single transactions consisting of two associated transactions. Intesa Sanpaolo has carried out advocacy activities, engaging in talks, where deemed necessary and/or appropriate, with relevant stakeholders.

During the 2025 financial year, the International Relations Function carried out advocacy activities in relation to a request concerning the Group's operations in Ghana, activating the diplomatic channel and involving in particular the relevant Italian institutions (Embassy of Italy in Ghana) in order to facilitate dialogue with the Ghanaian Ministry of Finance. The objective of these discussions was to identify restructuring solutions for the credit claim held by Intesa Sanpaolo that are acceptable to the Bank, while ensuring that the Ghanaian state complied with the debt sustainability parameters set out in the IMF programme and maintained comparability of treatment with other creditors.

Responsible supply chain management

Following the double materiality assessment conducted in 2025, Intesa Sanpaolo did not identify material impacts, risks or opportunities (IROs) relating to suppliers and procurement processes. For further information on the outcomes of the materiality assessment for the upstream value chain, please refer to the paragraph "Consolidating and sharing the list of sustainability matters material for the Group" in the ESRS 2 – General disclosures chapter.
However, in continuity with the disclosure provided in the 2024 Consolidated Sustainability Statement, the Group's purchasing practices and the supervision and monitoring systems that serve as controls for the Group's procurement processes are set out below.

In line with its corporate strategies and objectives, the Bank establishes relations with suppliers aimed at safeguarding the principles of ethical, social and environmental responsibility and favours business relationships based on trust and transparency.

The Group defined internal procurement guidelines, with the aim of defining the roles and responsibilities of the Corporate Bodies, the structures of the Bank and the Group companies in the procurement management process, as well as the principles and macro-processes to be observed during all management phases for the purchases of goods and services, in compliance with:

- the principles of the Code of Ethics, for which reference is made to the section "Policies related to corporate culture" in the ESRS G1 – Business Conduct chapter, and the provisions of the Group Internal Code of Conduct, which set out the rules of conduct to be observed both in the workplace and externally, i.e. pursuing the Group's interests with professionalism, diligence, honesty and fairness, and acting in any case with transparency and full respect for people's dignity and integrity;
- compliance with current guidelines on environmental, social and governance sustainability to ensure respect for the environment, human rights, working conditions and business ethics throughout the supply chain, also by evaluating specific local features;
- compliance with the regulations on health and safety in the workplace, including in relation to the risks to which service providers and suppliers in general who operate in premises used by a Group company are exposed.

These guidelines apply to all Group companies. Responsibility for their approval lies with the Board of Directors of Intesa Sanpaolo in its capacity as Parent Company, while the structure responsible for their implementation is the Chief Cost Management Officer Governance Area.

In addition, as a complement to what is set out in the paragraph "The Group's commitment to human rights" in the ESRS S1 – Own workforce chapter, the Group also extends the protection of human rights to its procurement processes. These processes are based on criteria of transparency and fairness in supplier selection and the sourcing process, with particular attention to preventing any form of discrimination, ensuring respect for health and safety at work and combating child and forced labour along the supply chain, in particular:

- non-discrimination on the basis of gender, gender identity and/or expression, emotional-sexual orientation, marital status and family situation, age, ethnicity, religious belief, political and trade union affiliation, socio-economic status, nationality, language, cultural background, physical and mental condition or any other characteristic of a person, including those related to the expression of their thoughts;
- right to health and safety, by avoiding entering into business relationships with suppliers for which there is verified information of serious breaches of the relevant legislation;
- combating forms of child and forced labour, by avoiding entering into business relationships with suppliers for which there is verified information of convictions and/or involvement in serious breaches of this principle.

Finally, the Group's Human Rights Principles recognise the Group's responsibility towards society and the environment and therefore guide the selection of suppliers and sub-suppliers towards counterparties that:

- base their activities and their policies on social and environmental sustainability and, in particular, on respect for human rights and workers' rights;
- adopt the necessary measures and tools to minimise the possible negative impacts caused by their activity.

The Bank provides its suppliers, including their workers, with various channels and internal procedures that can be used to collect, analyse and address reports of alleged incidents of non-compliance in relation to workers' rights, including those laid down by the Human Rights Principles adopted by the Group, as described in the above paragraphs.

The Group has also adopted internal procurement regulations, which define the operating rules to be applied to the procurement process, distinguishing between:

- centralised procurement model, which provides for management by the Parent Company's Group Procurement structure;
- autonomous procurement model, which provides for the independent performance of purchasing activities, for certain product categories, by the structures of the Parent Company or the Group companies.

Both models are based on the following general principles:

- transparency and tracking of the entire procurement process;
- formalisation of the agreement in compliance with the Group's standard regulatory conditions;
- attention in relations with third parties to the monitoring of operational risks, compliance with the Group's general guidelines on reputation and governance of environmental and social risks, as well as the overall sustainability of the choices adopted. From this perspective, the selection of the supplier must consider not only specialisation in the required product area and financial soundness, but also the reputational profile and sustainability performance.

To complement this regulatory framework, the Group has defined additional policies aimed at strengthening the Group's commitment along the supply chain. In 2025, a Supplier Code of Conduct was also drafted and submitted for formal approval by the Parent Company structures, aimed at promoting and sharing sustainable and responsible practices throughout the entire supply chain, ensuring consistency and commitment to the Group's ethical, environmental and social values and fostering

relationships with suppliers based on trust and transparency. Following approval of the Code by the Board of Directors of Intesa Sanpaolo, it will also be adopted by the other Group companies.

With reference to supplier payment practices, confirming the robustness and reliability of the supply chain, the Group has prepared a guidelines document for the purchasing cycle. These guidelines, in addition to formalising the expense governance model:

- define the roles and responsibilities of the structures involved in the purchasing cycle process;
- describe the macro-processes also with regard to payment activities towards suppliers without distinguishing between large undertakings and SMEs, with the aim of ensuring compliance with deadlines and preventing delays in payments;
- refer to the role of the Responsibility Centres which, among other activities, approve the payment of invoices within the contractually agreed timeframes, contributing to the management of any impacts arising from delays;
- highlight the presence of procedures and processes dedicated to payables payments.

Finally, with regard to the management of environmental aspects, the Group has also adopted the "Green Banking Procurement Rules", which form part of the initiatives dedicated to environmental protection. This policy promotes a responsible approach to the sourcing and use of goods and services, prioritising those that meet specific environmental criteria at all stages of the procurement process. The aim is to identify the best solutions in term of design, products or services with the lowest possible environmental impact throughout their life cycle, taking into account market availability. As of 2025, for competitive negotiations concerning the so-called "green" product categories – defined by the Rules and including, for example, paper, stationery products and toner – a pilot phase was launched with some of the Bank's Real Estate management structures. The pilot provides for the sharing with the delegates of these structures of some significant supplier responses to the ESG questionnaire, assigning them a percentage weight. This result represents a preferential criterion in the final technical assessment. Starting from 2026, the intention is to extend this approach also to the internal delegates of other areas.

Since 2023, the Qualification Portal 2.0 has been active, the application platform used by the Group Procurement structure that interfaces with the Supplier Gate Portal[296] for the management of the qualification process and for the monitoring of the counterparties of interest, with the aim of automating the collection of all the information required for their assessment, determining a qualification score (global score) and focusing the control activities on the most critical aspects. The assessment of suppliers registered on the Supplier Gate Portal allows to automate the collection of all the necessary information for the initial due diligence and subsequent monitoring of the counterparty, focusing the control activities on the most critical aspects. The assessment takes into account not only the economic-financial and technical-organisational characteristics of each of them, but also the aspects pertaining to business ethics, respect for human rights, workers' rights, and the environment, based on the statements made through the compilation of specific questionnaires and/or the possession of certain certifications (including ISO 50001 and 14001 and the adoption of an ISO 50001-compliant energy management system).
Since the end of 2024, for suppliers that are also customers of Intesa Sanpaolo S.p.A., the ESG score calculated by the Bank is also recorded in the qualification processes. The ESG assessment obtained (regardless of whether it arises from the ESG questionnaire or the Bank's ESG score[297]) contributes to determining the Global Score and is made available to relevant users through the Qualification Portal 2.0 and specific Group Procurement management dashboards which make it possible to obtain aggregated information, by number of suppliers and by spend value, among those that have obtained a high, medium or low assessment.
Suppliers with a medium or high ESG assessment benefit from a percentage increase in the Global Score which increases their likelihood of selection by the Group. In this way, the best ESG-performing suppliers are rewarded, ensuring them a better ranking than competitors with similar performance in other areas.

As of 2024, completion of the ESG questionnaire became mandatory and is now a prerequisite for participation in tenders issued by the Group via the Group Supplier Gate Portal. The initiative enabled to map the ESG profile of the suppliers used, in order to, particularly with respect to green and social categories, determine the average positioning, assess any critical issues and define an improvement plan to bring all the most strategic partners to a medium/high level of maturity. In line with what was planned, by the end of 2025 100% of the suppliers qualified in the register and engaged had an ESG assessment.

The main Group policies in force from time to time are communicated to suppliers when they request registration on the Portal and whenever they are updated. In order to be registered and operate with the Intesa Sanpaolo Group, suppliers must declare that they have read the following documents: Code of Ethics, Group Internal Code of Conduct, Anti-Corruption Guidelines, the Disclosure on the Diversity, Equity and Inclusion Principles, the Organisational, Management and Control Model, the General Supply Terms and Conditions, from 2026 also the new Supplier Code of Conduct. Specifically, within the General Supply Terms and Conditions, particular attention is paid to compliance with labour law, immigration laws, adequate economic, salary, regulatory, social security and insurance treatment and workplace safety regulations, both with respect to its own workers and the personnel of any subcontractors. At the start of the relationship and upon each subsequent appointment, the General Supply Terms and Conditions are resubmitted for signature purposes. Violation of the above principles may constitute grounds for termination of the contract. The disclosure of these principles to the entire supply chain falls under the responsibility of the suppliers in charge of the contract who, by signing the General Supply Terms and Conditions, take responsibility for ensuring that their employees and any subcontractors comply with the regulations and any reference principles.

Once the supplier qualification process has been completed, the monitoring phase begins which, via the Qualification Portal 2.0, uses a daily interface to analyse internal and external sources available to Intesa Sanpaolo to detect any changes in the qualification indicators and update the Global Score and the suppliers' qualification status. As a result of monitoring activities, negative events may be identified, as well as environmental and/or social issues, which may entail a risk and influence the supplier's final score, potentially making the supplier no longer eligible for engagement. Based on the severity of the cases, the

[296] Application used to interact with suppliers, hence registration processes, updating documents and tender management.

[297] Where both are present, the Bank's ESG score prevails over the ESG questionnaire assessment.

remedial actions to be adopted are defined, which may lead to the termination of the contract. Where the information collected is assessed as preventing the initiation or continuation of the collaboration, the supplier is assigned an invitation status with a high risk of exclusion.

In 2025, a total of 1,703 criticality reports were analysed (attributable to approximately 9.9% of the suppliers qualified in the Register), in order to prevent the selection of suppliers not in line with the company's principles. Of these, 321 were assessed as high risk and 81 as medium risk, resulting in a reduction in the overall score. Following the critical issues identified, 13 suppliers were blacklisted; this also includes counterparties who failed to provide the requested documents and/or who did not fill out the requested questionnaires. At the same time, 26,905 compliance checks were conducted on documents uploaded to the Supplier Gate Portal.

With regard to the services purchased by the Bank, the general supply conditions include specific contractual clauses requiring respect for workers' rights and provide for the possibility of carrying out on-request checks on salary, social security and tax compliance, including, for example, verification of the payment of wages and mandatory contributions by the supplier. For suppliers with registered offices in Italy and qualified in the Group Supplier Portal, the document certifying the regular payment of workers' social security and welfare contributions is constantly monitored.
The contractual clauses also provide, for the performance of contractual services that fall within the scope of application of Article 26 of Legislative Decree No. 81/2008, for the appointment of a supplier health and safety representative who ensures compliance with health and safety regulations and coordination with the Group, the obligation to inform the personnel involved of any risks existing in the environment in which they will operate and of the procedures and regulations in force therein.

Suppliers showing irregular documentary profiles are subject to a 30% reduction in their overall score for the entire duration of this condition and may consequently suffer limitations in the assignment of new contracts. The Group also launched a specific check on the regularity and correct updating of the ESG certifications uploaded to the Supplier Portal.
With the aim of mitigating the risk of such events occurring, in the second half of 2025 the first supplier engagement initiatives were launched, which increase suppliers' awareness of ESG issues. In this context, in order to raise awareness of the importance of these aspects, suppliers that had obtained a low ESG assessment were invited to take part in a dedicated online course which was attended by a total of 27 supplier staff. A webinar on social sustainability was also organised, aimed at 40 suppliers selected from those operating in categories considered at higher risk in terms of the protection of human rights, which was attended by a total of 57 supplier staff. From 2026, specific programmes are planned to strengthen suppliers' awareness of ESG topics.

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DISCLOSURE REQUIREMENT AND CORRESPONDING INFORMATION	SFDR[298]	Pillar 3[299]	Benchmark Regulation[300]	EU climate legislation[301]	PAGE
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	x		x		174
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			x		173
ESRS 2 GOV-4 Statement on due diligence paragraph 30	x				154
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	x	x	x		154
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	x		x		154
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	x		x		154
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			x		154
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				x	185
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		x	x		187
ESRS E1-4 GHG emission reduction targets paragraph 34	x	x	x		187 199
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	x				204
ESRS E1-5 Energy consumption and mix paragraph 37	x				204
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	x				206
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	x	x	x		206
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	x	x	x		206
ESRS E1-7 GHG removals and carbon credits paragraph 56				x	Non-material topic
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			x		212
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		x			212
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		x			212
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		x			212

[298] 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).
[299] 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 "CRR") (OJ L 176, 27.6.2013, p. 1).
[300] 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).
[301] 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).

DISCLOSURE REQUIREMENT AND CORRESPONDING INFORMATION	SFDR[298]	Pillar 3[299]	Benchmark Regulation[300]	EU climate legislation[301]	PAGE
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			x		Unreported information for 2025
ESRS E2-4 Amount of each pollutant listed in Annex II of the EPRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	x				Non-material topic
ESRS E3-1 Water and marine resources paragraph 9	x				Non-material topic
ESRS E3-1 Dedicated policy paragraph 13	x				Non-material topic
ESRS E3-1 Sustainable oceans and seas paragraph 14	x				Non-material topic
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	x				Non-material topic
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	x				Non-material topic
ESRS 2 IRO-1 – E4 paragraph 16(a)(i)	x				Non-material topic
ESRS 2 IRO-1 – E4 paragraph 16(b)	x				Non-material topic
ESRS 2 IRO-1 – E4 paragraph 16(c)	x				Non-material topic
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	x				217[302]
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	x				217[303]
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	x				217[304]
ESRS E5-5 Non-recycled waste paragraph 37 (d)	x				Non-material topic
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	x				Non-material topic
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	x				Non-material topic
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	x				Non-material topic
ESRS S1-1 Human rights policy commitments paragraph 20	x				228
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 paragraph 21			x		228
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	x				Non-material topic
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	x				250
ESRS S1-3 Mechanisms for handling reports/complaints paragraph 32(c)	x				233 238
ESRS S1-14 Number of fatalities and number and rate of workrelated accidents paragraph 88 (b) and (c)	x		x		252
ESRS S1-14 Number of days lost to accidents, fatalities or illness paragraph 88(e)	x				252
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	x		x		237

[302] With reference to portfolio policies.
[303] With reference to portfolio policies.
[304] With reference to portfolio policies.

DISCLOSURE REQUIREMENT AND CORRESPONDING INFORMATION	SFDR[298]	Pillar 3[299]	Benchmark Regulation[300]	EU climate legislation[301]	PAGE
ESRS S1-16 Excessive pay gap in favour of the highest-paid person paragraph 97(b)	x				237
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	x				229
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104(a)	x		x		229
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	x				Non-material topic
ESRS S2-1 Human rights policy commitments paragraph 17	x				Non-material topic
ESRS S2-1 Policies related to value chain workers paragraph 18	x				Non-material topic
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 19	x		x		Non-material topic
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 paragraph 19			x		261
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	x				Non-material topic
ESRS S3-1 Human rights policy commitments paragraph 16	x				262
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	x		x		262
ESRS S3-4 Human rights issues and incidents paragraph 36	x				262
ESRS S4-1 Policies related to consumers and end-users	x				278
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	x		X		278
ESRS S4-4 Human rights issues and incidents paragraph 35	x				278
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	x				307
ESRS G1-1 Protection of Whistleblowers paragraph 10(d)	x				312
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24(a)	x		x		309
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	x				309

ANNEX I – Taxonomy Template

TEMPLATE ANNEX VI: KPI GAR E KPI OFF-BALANCE-SHEET

Template 1: Assets for the calculation of GAR (Turnover stock)

	Stock (Million EUR)	2025														
		Total [gross] carrying amount	Of which Taxonomy-eligible	Breakdown per environmental objective							Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties[305]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution[306]
				Of which Taxonomy-aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)							
1	**GAR - Covered assets in both numerator and denominator**	**286,452**	**167,758**	**26,315**	**26,018**	**106**	**151**	**33**	**7**	**-**	**19,077**	**625**	**3,440**	**558**	**-**	**-**	**558**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**286,186**	**167,492**	**26,315**	**26,018**	**106**	**151**	**33**	**7**	**-**	**19,077**	**625**	**3,440**	**558**	**-**	**-**	**558**
3	**Financial undertakings**	**69,078**	**15,592**	**2,305**	**2,265**	**6**	**29**	**5**	**-**	**-**	**523**	**90**	**698**	**-**	**-**	**-**	**-**
4	Loans and advances	46,107	7,706	1,113	1,082	2	28	1	-	-	-	56	470	-	-	-	-
5	Debt securities, including UoP	14,884	5,727	970	964	1	1	4	-	-	523	26	167	-	-	-	-
6	Equity instruments	8,087	2,159	222	219	3	-	-	-	-		8	61	-	-	-	-
7	**Non-financial undertakings**	**34,731**	**12,934**	**6,650**	**6,393**	**100**	**122**	**28**	**7**	**-**	**1,194**	**534**	**2,742**	**-**	**-**		**-**
8	Loans and advances	28,150	9,736	5,027	4,815	70	119	17	6	-	-	482	2,526	-	-		-
9	Debt securities, including UoP	5,959	2,969	1,542	1,497	30	3	11	1	-	1,194	52	175	-	-		-
10	Equity instruments	622	229	81	81	-	-	-	-	-		-	41	-	-		-
11	**Households**	**181,981**	**138,966**	**17,360**	**17,360**	**-**		**-**			**17,360**	**1**	**-**	**162**	**-**		**162**
12	of which loans collateralised by residential immovable property	135,966	135,966	17,347	17,347	-		-			17,347	-	-	-	-		-
13	of which building renovation loans	2,386	2,386	1	1	-		-			1	1	-	-	-		-
14	of which motor vehicle loans	162	-	-	-						-	-	-	162	-		162
15	**Local governments financing**	**396**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**396**	**-**		**396**
16	Housing financing	-	-	-	-	-		-			-	-	-	-	-		-
17	Other local government financing	396	-	-	-	-	-	-	-	-	-	-	-	396	-		396
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**266**	**266**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		**-**
19	**Exposures included on a volutary basis[307]**	**-**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		
20	**Total GAR assets**	**286,452**												**558**	**-**	**-**	**558**

[305] In accordance with Article 7(8)(a) and (b) of this Regulation.

[306] In accordance with Article 4(1a) of this Regulation.

[307] In accordance with Article 7(3) of this Regulation.

	Stock (Million EUR)	2025															
		Total [gross] carrying amount	Of which Taxonomy-eligible	Breakdown per environmental objective							Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties[305]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution[306]
				Of which Taxonomy-aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)							
21	**Assets not covered for GAR calculation**	**499,403**															
22	**Central governments and Supranational issuers**	**130,588**															
23	**Central banks exposure**	**40,916**															
24	**Trading book**	**46,262**															
25	**Undertaking and entities not subject to CSRD**	**219,013**															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	113,268															
27	Loans and advances	110,948															
28	of which loans collateralised by commercial immovable property	16,718															
29	of which building renovation loans	77															
30	Debt securities	2,013															
31	Equity instruments	307															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	30,103															
33	Loans and advances	27,281															
34	Debt securities	2,445															
35	Equity instruments	377															
36	**Derivatives**	**7,342**															
37	**On demand interbank loans**	**2,636**															
38	**Cash and cash-related assets**	**4,032**															
39	**Other categories of assets (e.g. Goodwill, commodities etc.)**	**48,614**															
40	**Total assets**	**785,855**															
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
41	Financial guarantees	2,873	428	165	162	1	1	1	-	-	-	7	106	-	-	-	-
42	Assets under management	94,976	28,521	7,192	6,802	118	52	196	24	-	-	431	3,590	-	-	-	-
43	of which debt securities	46,649	15,894	4,404	4,217	76	35	63	13	-	-	279	1,995	-	-	-	-
44	of which equity instruments	21,952	8,163	1,804	1,663	32	14	91	4	-	-	88	1,106	-	-	-	-

Template 1: Assets for the calculation of GAR (CapEx stock)

	Stock (Million EUR)	2025															
		Total [gross] carrying amount	Of which Taxonomy-eligible	Breakdown per environmental objective							Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties[305]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution[306]
				Of which Taxonomy-aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)							
1	**GAR - Covered assets in both numerator and denominator**	**286,452**	**176,226**	**30,805**	**29,865**	**683**	**211**	**37**	**9**	**-**	**19,086**	**615**	**6,645**	**558**	**-**	**-**	**558**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**286,186**	**175,960**	**30,805**	**29,865**	**683**	**211**	**37**	**9**	**-**	**19,086**	**615**	**6,645**	**558**	**-**	**-**	**558**
3	**Financial undertakings**	**69,078**	**18,661**	**3,725**	**3,484**	**232**	**3**	**6**	**-**	**-**	**523**	**102**	**1,517**	**-**	**-**	**-**	**-**
4	Loans and advances	46,107	10,374	2,062	1,846	212	3	1	-	-	-	63	1,018	-	-	-	-
5	Debt securities, including UoP	14,884	5,986	1,304	1,289	10	-	5	-	-	523	28	401	-	-	-	-
6	Equity instruments	8,087	2,301	359	349	10	-	-	-	-		11	98	-	-	-	-
7	**Non-financial undertakings**	**34,731**	**18,333**	**9,720**	**9,021**	**451**	**208**	**31**	**9**	**-**	**1,203**	**512**	**5,128**	**-**	**-**		**-**
8	Loans and advances	28,150	14,641	7,772	7,146	398	206	15	7	-	9	470	4,771	-	-		-
9	Debt securities, including UoP	5,959	3,426	1,820	1,752	48	2	16	2	-	1,194	41	262	-	-		-
10	Equity instruments	622	266	128	123	5	-	-	-	-		1	95	-	-		-
11	**Households**	**181,981**	**138,966**	**17,360**	**17,360**	**-**		**-**			**17,360**	**1**	**-**	**162**	**-**		**162**
12	of which loans collateralised by residential immovable property	135,966	135,966	17,347	17,347	-		-			17,347	-	-	-	-		-
13	of which building renovation loans	2,386	2,386	1	1	-		-			1	1	-	-	-		-
14	of which motor vehicle loans	162	-	-	-						-	-	-	162	-		162
15	**Local governments financing**	**396**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**396**	**-**		**396**
16	Housing financing	-	-	-	-	-		-			-	-	-	-	-		-
17	Other local government financing	396	-	-	-	-	-	-	-	-	-	-	-	396	-		396
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**266**	**266**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		**-**
19	**Exposures included on a volutary basis[307]**	**-**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		
20	**Total GAR assets**	**286,452**												**558**	**-**	**-**	**558**

	Stock (Million EUR)	2025															
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties[305]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution[306]
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)							
21	**Assets not covered for GAR calculation**	**499,403**															
22	**Central governments and Supranational issuers**	**130,588**															
23	**Central banks exposure**	**40,916**															
24	**Trading book**	**46,262**															
25	**Undertaking and entities not subject to CSRD**	**219,013**															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	113,268															
27	Loans and advances	110,948															
28	of which loans collateralised by commercial immovable property	16,718															
29	of which building renovation loans	77															
30	Debt securities	2,013															
31	Equity instruments	307															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	30,103															
33	Loans and advances	27,281															
34	Debt securities	2,445															
35	Equity instruments	377															
36	**Derivatives**	**7,342**															
37	**On demand interbank loans**	**2,636**															
38	**Cash and cash-related assets**	**4,032**															
39	**Other categories of assets (e.g. Goodwill, commodities etc.)**	**48,614**															
40	**Total assets**	**785,855**															
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
41	Financial guarantees	2,873	521	222	213	4	2	3	-	-	-	11	92	-	-	-	-
42	Assets under management	94,976	33,206	11,436	10,688	480	91	144	32	1	-	591	5,383	-	-	-	-
43	of which debt securities	46,649	18,957	7,122	6,555	415	62	70	19	-	-	380	3,105	-	-	-	-
44	of which equity instruments	21,952	9,232	2,812	2,705	29	26	47	5	-	-	118	1,570	-	-	-	-

Template 1: Assets for the calculation of GAR (Turnover flow)

	Flow (Million EUR)	2025															
		Total [gross] carrying amount	Of which Taxonomy-eligible	Breakdown per environmental objective							Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties[305]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution[306]
				Of which Taxonomy-aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)							
1	**GAR - Covered assets in both numerator and denominator**	**93,913**	**33,590**	**9,961**	**9,757**	**35**	**143**	**21**	**5**	**-**	**5,347**	**394**	**1,976**	**1,207**	**-**	**-**	**1,207**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**93,911**	**33,588**	**9,961**	**9,757**	**35**	**143**	**21**	**5**	**-**	**5,347**	**394**	**1,976**	**1,207**	**-**	**-**	**1,207**
3	**Financial undertakings**	**40,462**	**7,688**	**1,120**	**1,093**	**2**	**22**	**3**	**-**	**-**	**238**	**62**	**321**	**-**	**-**	**-**	**-**
4	Loans and advances	32,688	4,885	663	639	2	22	-	-	-	-	50	251	-	-	-	-
5	Debt securities, including UoP	7,568	2,803	457	454	-	-	3	-	-	238	12	70	-	-	-	-
6	Equity instruments	206	-	-	-	-	-	-	-	-		-	-	-	-	-	-
7	**Non-financial undertakings**	**21,695**	**8,016**	**4,382**	**4,205**	**33**	**121**	**18**	**5**	**-**	**650**	**331**	**1,655**	**-**	**-**		**-**
8	Loans and advances	18,446	6,475	3,578	3,404	33	120	16	5	-	-	322	1,582	-	-		-
9	Debt securities, including UoP	3,088	1,440	739	736	-	1	2	-	-	650	9	34	-	-		-
10	Equity instruments	161	101	65	65	-	-	-	-	-		-	39	-	-		-
11	**Households**	**30,615**	**17,884**	**4,459**	**4,459**	**-**		**-**			**4,459**	**1**	**-**	**68**	**-**		**68**
12	of which loans collateralised by residential immovable property	17,304	17,304	4,448	4,448	-		-			4,448	-	-	-	-		-
13	of which building renovation loans	378	378	1	1	-		-			1	1	-	-	-		-
14	of which motor vehicle loans	68	-	-	-						-	-	-	68	-		68
15	**Local governments financing**	**1,139**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,139**	**-**		**1,139**
16	Housing financing	-	-	-	-	-		-			-	-	-	-	-		-
17	Other local government financing	1,139	-	-	-	-	-	-	-	-	-	-	-	1,139	-		1,139
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**2**	**2**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		**-**
19	**Exposures included on a volutary basis[307]**	**-**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		
20	**Total GAR assets**	**93,913**												**1,207**	**-**	**-**	**1,207**

	Flow (Million EUR)	2025															
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties[305]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution[306]
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)							
21	**Assets not covered for GAR calculation**	**197,512**															
22	**Central governments and Supranational issuers**	**71,754**															
23	**Central banks exposure**	**17,805**															
24	**Trading book**	**186**															
25	**Undertaking and entities not subject to CSRD**	**107,758**															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	54,160															
27	Loans and advances	53,385															
28	of which loans collateralised by commercial immovable property	1,560															
29	of which building renovation loans	4															
30	Debt securities	646															
31	Equity instruments	129															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	16,833															
33	Loans and advances	15,540															
34	Debt securities	1,030															
35	Equity instruments	263															
36	**Derivatives**	**7**															
37	**On demand interbank loans**	**2**															
38	**Cash and cash-related assets**	**-**															
39	**Other categories of assets (e.g. Goodwill, commodities etc.)**	**-**															
40	**Total assets**	**291,425**															
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
41	Financial guarantees	286	48	12	12	-	-	-	-	-	-	1	8	-	-	-	-
42	Assets under management	92,143	23,510	5,429	5,090	125	22	164	28	-	-	382	2,688	-	-	-	-
43	of which debt securities	31,611	10,457	2,613	2,459	92	14	32	16	-	-	210	1,143	-	-	-	-
44	of which equity instruments	33,250	6,821	1,495	1,386	18	5	81	5	-	-	93	904	-	-	-	-

Template 1: Assets for the calculation of GAR (CapEx flow)

	Flow (Million EUR)	2025															
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties[305]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution[306]
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)							
1	**GAR - Covered assets in both numerator and denominator**	**93,913**	**38,815**	**12,692**	**11,986**	**460**	**219**	**21**	**6**	**-**	**5,350**	**440**	**4,269**	**1,207**	**-**	**-**	**1,207**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**93,911**	**38,813**	**12,692**	**11,986**	**460**	**219**	**21**	**6**	**-**	**5,350**	**440**	**4,269**	**1,207**	**-**	**-**	**1,207**
3	**Financial undertakings**	**40,462**	**9,470**	**1,765**	**1,614**	**144**	**2**	**5**	**-**	**-**	**239**	**64**	**735**	**-**	**-**	**-**	**-**
4	Loans and advances	32,688	6,512	1,189	1,047	139	2	1	-	-	-	49	610	-	-	-	-
5	Debt securities, including UoP	7,568	2,930	576	567	5	-	4	-	-	239	15	125	-	-	-	-
6	Equity instruments	206	28	-	-	-	-	-	-	-		-	-	-	-	-	-
7	**Non-financial undertakings**	**21,695**	**11,599**	**6,468**	**5,913**	**316**	**217**	**16**	**6**	**-**	**652**	**375**	**3,534**	**-**	**-**		**-**
8	Loans and advances	18,446	9,840	5,514	4,996	282	216	15	5	-	3	363	3,379	-	-		-
9	Debt securities, including UoP	3,088	1,624	847	815	29	1	1	1	-	649	12	65	-	-		-
10	Equity instruments	161	135	107	102	5	-	-	-	-	-	-	90	-	-		-
11	**Households**	**30,615**	**17,744**	**4,459**	**4,459**	**-**		**-**			**4,459**	**1**	**-**	**68**	**-**		**68**
12	of which loans collateralised by residential immovable property	17,304	17,304	4,448	4,448	-		-			4,448	-	-	-	-		-
13	of which building renovation loans	378	378	1	1	-		-			1	1	-	-	-		-
14	of which motor vehicle loans	68	-	-	-						-	-	-	68	-		68
15	**Local governments financing**	**1,139**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,139**	**-**		**1,139**
16	Housing financing	-	-	-	-	-		-			-	-	-	-	-		-
17	Other local government financing	1,139	-	-	-	-	-	-	-	-	-	-	-	1,139	-		1,139
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**2**	**2**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		**-**
19	**Exposures included on a volutary basis[307]**	**-**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		
20	**Total GAR assets**	**93,913**												**1,207**	**-**	**-**	**1,207**

	Flow (Million EUR)	2025															
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures	Of which financing non-material activities of counterparties[305]	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution[306]
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Eco-systems (BIO)							
21	**Assets not covered for GAR calculation**	**197,512**															
22	**Central governments and Supranational issuers**	**71,754**															
23	**Central banks exposure**	**17,805**															
24	**Trading book**	**186**															
25	**Undertaking and entities not subject to CSRD**	**107,758**															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	54,160															
27	Loans and advances	53,385															
28	of which loans collateralised by commercial immovable property	1,560															
29	of which building renovation loans	4															
30	Debt securities	646															
31	Equity instruments	129															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	16,833															
33	Loans and advances	15,540															
34	Debt securities	1,030															
35	Equity instruments	263															
36	**Derivatives**	**7**															
37	**On demand interbank loans**	**2**															
38	**Cash and cash-related assets**	**-**															
39	**Other categories of assets (e.g. Goodwill, commodities etc.)**	**-**															
40	**Total assets**	**291,425**															
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
41	Financial guarantees	286	72	16	16	-	-	-	-	-	-	1	7	-	-	-	-
42	Assets under management	92,143	27,041	8,484	7,975	321	39	108	41	-	-	531	4,031	-	-	-	-
43	of which debt securities	31,611	12,142	4,101	3,762	257	26	31	25	-	-	281	1,798	-	-	-	-
44	of which equity instruments	33,250	7,968	2,387	2,313	13	9	45	7	-	-	130	1,310	-	-	-	-

Template 2: GAR – Sector information (Turnover)

		2025								
	Breakdown by sector - NACE 4 digits level (code and label) (Million EUR)	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 (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
1	L68.20 Rental and operating of own or leased real estate	7,465	573	126	37	89	-	-	-	-
2	F41.20 Construction of residential and non-residential buildings	4,275	24	2	2	-	-	-	-	-
3	L68.10 Buying and selling of own real estate	2,920	81	8	8	-	-	-	-	-
4	H53.10 Postal activities under universal service obligation	2,701	328	74	74	-	-	-	-	-
5	J61.20 Wireless telecommunications activities	2,664	7	1	-	-	-	1	-	-
6	I55.10 Hotels and similar accommodation	2,611	-	-	-	-	-	-	-	-
7	N77.11 Rental and leasing of cars and light motor vehicles	2,595	555	27	27	-	-	-	-	-
8	D35.13 Distribution of electricity	2,467	1,742	1,490	1,486	-	2	1	1	-
9	J61.90 Other telecommunications activities	1,818	45	11	10	-	1	-	-	-
10	H49.41 Freight transport by road	1,763	1	-	-	-	-	-	-	-
11	Nuclear activities[308]	231	1	-						
12	Fossil gas activities[309]	5,300	480	381						
13	Of which non-assessed exposures[310]	-								

Template 2: GAR – Sector information (CapEx)

		2025								
	Breakdown by sector - NACE 4 digits level (code and label) (Million EUR)	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 (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
1	L68.20 Rental and operating of own or leased real estate	7,465	652	58	26	32	-	-	-	-
2	F41.20 Construction of residential and non-residential buildings	4,275	3	-	-	-	-	-	-	-
3	L68.10 Buying and selling of own real estate	2,920	86	18	15	3	-	-	-	-
4	H53.10 Postal activities under universal service obligation	2,701	212	123	117	6	-	-	-	-
5	J61.20 Wireless telecommunications activities	2,664	7	2	-	-	-	2	-	-
6	I55.10 Hotels and similar accommodation	2,611	-	-	-	-	-	-	-	-
7	N77.11 Rental and leasing of cars and light motor vehicles	2,595	2,088	87	87	-	-	-	-	-
8	D35.13 Distribution of electricity	2,467	1,855	1,795	1,790	-	5	-	-	-
9	J61.90 Other telecommunications activities	1,818	63	29	19	10	-	-	-	-
10	H49.41 Freight transport by road	1,763	1	-	-	-	-	-	-	-
11	Nuclear activities[308]	231	2	-						
12	Fossil gas activities[309]	5,300	741	559						
13	Of which non-assessed exposures[310]	-								

308 Referred to in Sections 4.26, 4.27 and 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139.

309 Referred to in Sections 4.29, 4.30 and 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139.

310 In accordance with Article 7(8) of this Regulation.

Template 3: GAR KPI stock (Turnover)

	% (compared to corresponding total covered assets in the denominator)	2025												
		Taxonomy-eligible	Breakdown per environmental objective							Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures[311]
			Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	**GAR - Covered assets in both numerator and denominator**	**58.56%**	**9.19%**	**9.09%**	**0.04%**	**0.05%**	**0.01%**	**-**	**-**	**6.66%**	**0.22%**	**1.20%**	**15.69%**	**0.19%**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**58.47%**	**9.19%**	**9.09%**	**0.04%**	**0.05%**	**0.01%**	**-**	**-**	**6.66%**	**0.22%**	**1.20%**	**15.71%**	**0.19%**
3	**Financial undertakings**	**5.44%**	**0.81%**	**0.80%**	**-**	**0.01%**	**-**	**-**	**-**	**0.18%**	**0.03%**	**0.24%**	**14.78%**	**-**
4	Loans and advances	2.69%	0.39%	0.38%	-	0.01%	-	-	-	-	0.02%	0.16%	14.45%	-
5	Debt securities, including UoP	2.00%	0.34%	0.34%	-	-	-	-	-	0.18%	0.01%	0.06%	16.93%	-
6	Equity instruments	0.75%	0.08%	0.08%	-	-	-	-	-		-	0.02%	10.27%	-
7	**Non-financial undertakings**	**4.52%**	**2.32%**	**2.23%**	**0.04%**	**0.04%**	**0.01%**	**-**	**-**	**0.42%**	**0.19%**	**0.96%**	**51.42%**	**-**
8	Loans and advances	3.40%	1.75%	1.68%	0.02%	0.04%	0.01%	-	-	-	0.17%	0.89%	51.63%	-
9	Debt securities, including UoP	1.04%	0.54%	0.52%	0.02%	-	-	-	-	0.42%	0.02%	0.06%	51.95%	-
10	Equity instruments	0.08%	0.03%	0.03%	-	-	-	-	-		-	0.01%	35.56%	-
11	**Households**	**48.51%**	**6.06%**	**6.06%**	**-**		**-**			**6.06%**	**-**	**-**	**12.49%**	**0.06%**
12	of which loans collateralised by residential immovable property	47.47%	6.06%	6.06%	-		-			6.06%	-	-	12.76%	-
13	of which building renovation loans	0.83%	-	-	-		-			-	-	-	0.03%	-
14	of which motor vehicle loans	-	-	-						-	-	-	-	0.06%
15	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.13%**
16	Housing financing	-	-	-	-		-			-	-	-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	0.13%
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0.09%**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
19	**Exposures included on a voluntary basis**[312]	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	
20	**GAR - Total GAR assets**	**58.56%**	**9.19%**	**9.09%**	**0.04%**	**0.05%**	**0.01%**	**-**	**-**	**6.66%**	**0.22%**	**1.20%**	**15.69%**	**0.19%**

311 In accordance with Article 7(8) of this Regulation.

312 In accordance with Article 7(3) of this Regulation.

Template 3: GAR KPI stock (CapEx)

		2025												
	% (compared to corresponding total covered assets in the denominator)	Taxonomy-eligible	Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures[311]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	**GAR - Covered assets in both numerator and denominator**	**61.51%**	**10.75%**	**10.43%**	**0.23%**	**0.07%**	**0.02%**	**-**	**-**	**6.66%**	**0.20%**	**2.32%**	**17.48%**	**0.19%**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**61.42%**	**10.75%**	**10.43%**	**0.23%**	**0.07%**	**0.02%**	**-**	**-**	**6.66%**	**0.20%**	**2.32%**	**17.51%**	**0.19%**
3	**Financial undertakings**	**6.51%**	**1.30%**	**1.23%**	**0.07%**	**-**	**-**	**-**	**-**	**0.18%**	**0.03%**	**0.53%**	**19.96%**	**-**
4	Loans and advances	3.62%	0.72%	0.65%	0.07%	-	-	-	-	-	0.02%	0.36%	19.88%	-
5	Debt securities, including UoP	2.09%	0.45%	0.45%	-	-	-	-	-	0.18%	0.01%	0.14%	21.79%	-
6	Equity instruments	0.80%	0.13%	0.13%	-	-	-	-	-		-	0.03%	15.60%	-
7	**Non-financial undertakings**	**6.40%**	**3.39%**	**3.14%**	**0.16%**	**0.07%**	**0.02%**	**-**	**-**	**0.42%**	**0.17%**	**1.79%**	**53.02%**	**-**
8	Loans and advances	5.11%	2.71%	2.49%	0.14%	0.07%	0.01%	-	-	-	0.16%	1.67%	53.08%	-
9	Debt securities, including UoP	1.20%	0.64%	0.61%	0.02%	-	0.01%	-	-	0.42%	0.01%	0.09%	53.13%	-
10	Equity instruments	0.09%	0.04%	0.04%	-	-	-	-	-		-	0.03%	47.97%	-
11	**Households**	**48.51%**	**6.06%**	**6.06%**	**-**		**-**			**6.06%**	**-**	**-**	**12.49%**	**0.06%**
12	of which loans collateralised by residential immovable property	47.47%	6.06%	6.06%	-		-			6.06%	-	-	12.76%	-
13	of which building renovation loans	0.83%	-	-	-		-			-	-	-	0.03%	-
14	of which motor vehicle loans	-	-	-						-	-	-	-	0.06%
15	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	0.13%
16	Housing financing	-	-	-	-		-			-	-	-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	0.13%
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**0.09%**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
19	**Exposures included on a voluntary basis[312]**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	
20	**GAR - Total GAR assets**	**61.51%**	**10.75%**	**10.43%**	**0.23%**	**0.07%**	**0.02%**	**-**	**-**	**6.66%**	**0.20%**	**2.32%**	**17.48%**	**0.19%**

Template 4: GAR KPI flow (Turnover)

	% (compared to corresponding total covered assets in the denominator)	2025												
		Taxonomy-eligible	Breakdown per environmental objective							Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures[313]
			Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	**GAR - Covered assets in both numerator and denominator**	**35.77%**	**10.61%**	**10.39%**	**0.04%**	**0.15%**	**0.02%**	**0.01%**	**-**	**5.69%**	**0.41%**	**2.10%**	**29.65%**	**1.29%**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**35.77%**	**10.61%**	**10.39%**	**0.04%**	**0.15%**	**0.02%**	**0.01%**	**-**	**5.69%**	**0.41%**	**2.10%**	**29.65%**	**1.29%**
3	**Financial undertakings**	**8.19%**	**1.19%**	**1.16%**	**0.01%**	**0.02%**	**-**	**-**	**-**	**0.25%**	**0.06%**	**0.34%**	**14.57%**	**-**
4	Loans and advances	5.21%	0.71%	0.68%	0.01%	0.02%	-	-	-	-	0.05%	0.27%	13.57%	-
5	Debt securities, including UoP	2.98%	0.48%	0.48%	-	-	-	-	-	0.25%	0.01%	0.07%	16.32%	-
6	Equity instruments	-	-	-	-	-	-	-	-		-	-	13.06%	-
7	**Non-financial undertakings**	**8.54%**	**4.67%**	**4.48%**	**0.03%**	**0.13%**	**0.02%**	**0.01%**	**-**	**0.69%**	**0.35%**	**1.76%**	**54.66%**	**-**
8	Loans and advances	6.90%	3.81%	3.63%	0.03%	0.13%	0.02%	-	-	-	0.34%	1.68%	55.25%	-
9	Debt securities, including UoP	1.53%	0.79%	0.78%	-	-	-	0.01%	-	0.69%	0.01%	0.04%	51.34%	-
10	Equity instruments	0.11%	0.07%	0.07%	-	-	-	-	-		-	0.04%	64.10%	-
11	**Households**	**19.04%**	**4.75%**	**4.75%**	**-**		**-**			**4.75%**	**-**	**-**	**24.93%**	**0.07%**
12	of which loans collateralised by residential immovable property	18.43%	4.74%	4.74%	-		-			4.74%	-	-	25.70%	-
13	of which building renovation loans	0.40%	-	-	-		-			-	-	-	0.20%	-
14	of which motor vehicle loans	-	-	-						-	-	-	-	0.07%
15	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.22%**
16	Housing financing	-	-	-	-		-			-	-	-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	1.22%
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
19	**Exposures included on a voluntary basis[314]**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	
20	**GAR - Total GAR assets**	**35.77%**	**10.61%**	**10.39%**	**0.04%**	**0.15%**	**0.02%**	**0.01%**	**-**	**5.69%**	**0.41%**	**2.10%**	**29.65%**	**1.29%**

[313] In accordance with Article 7(8) of this Regulation.

[314] In accordance with Article 7(3) of this Regulation.

Template 4: GAR KPI flow (CapEx)

		2025												
	% (compared to corresponding total covered assets in the denominator)	Taxonomy-eligible	Breakdown per environmental objective							Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures[313]
			Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	**GAR - Covered assets in both numerator and denominator**	**41.32%**	**13.51%**	**12.76%**	**0.49%**	**0.23%**	**0.02%**	**0.01%**	**-**	**5.70%**	**0.47%**	**4.54%**	**32.70%**	**1.29%**
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**41.32%**	**13.51%**	**12.76%**	**0.49%**	**0.23%**	**0.02%**	**0.01%**	**-**	**5.70%**	**0.47%**	**4.54%**	**32.70%**	**1.29%**
3	**Financial undertakings**	**10.08%**	**1.88%**	**1.72%**	**0.16%**	**-**	**-**	**-**	**-**	**0.25%**	**0.07%**	**0.78%**	**18.65%**	**-**
4	Loans and advances	6.93%	1.27%	1.11%	0.16%	-	-	-	-	-	0.05%	0.65%	18.27%	-
5	Debt securities, including UoP	3.12%	0.61%	0.61%	-	-	-	-	-	0.25%	0.02%	0.13%	19.67%	-
6	Equity instruments	0.03%	-	-	-	-	-	-	-		-	-	0.03%	-
7	**Non-financial undertakings**	**12.35%**	**6.88%**	**6.29%**	**0.33%**	**0.23%**	**0.02%**	**0.01%**	**-**	**0.70%**	**0.40%**	**3.76%**	**55.76%**	**-**
8	Loans and advances	10.48%	5.86%	5.31%	0.29%	0.23%	0.02%	0.01%	-	-	0.39%	3.59%	56.03%	-
9	Debt securities, including UoP	1.73%	0.90%	0.87%	0.03%	-	-	-	-	0.70%	0.01%	0.07%	52.14%	-
10	Equity instruments	0.14%	0.12%	0.11%	0.01%	-	-	-	-		-	0.10%	79.82%	-
11	**Households**	**18.89%**	**4.75%**	**4.75%**	**-**		**-**			**4.75%**	**-**	**-**	**25.13%**	**0.07%**
12	of which loans collateralised by residential immovable property	18.43%	4.74%	4.74%	-		-			4.74%	-	-	25.70%	-
13	of which building renovation loans	0.40%	-	-	-		-			-	-	-	0.20%	-
14	of which motor vehicle loans	-	-	-						-	-	-	-	0.07%
15	**Local governments financing**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.22%**
16	Housing financing	-	-	-	-		-			-	-	-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	1.22%
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
19	**Exposures included on a voluntary basis[314]**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	
20	**GAR - Total GAR assets**	**41.32%**	**13.51%**	**12.76%**	**0.49%**	**0.23%**	**0.02%**	**0.01%**	**-**	**5.70%**	**0.47%**	**4.54%**	**32.70%**	**1.29%**

Template 5: KPI off-balance sheet exposures (Turnover stock)

% (compared to corresponding total off-balance sheet assets)		Taxonomy-eligible	2025										
			Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures[315]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	14.88%	5.76%	5.64%	0.05%	0.03%	0.04%	-	-	-	0.25%	3.69%	-
2	Assets under management (AuM KPI)	30.03%	7.57%	7.17%	0.12%	0.05%	0.21%	0.02%	-	-	0.45%	3.78%	-

Template 5: KPI off-balance sheet exposures (CapEx stock)

% (compared to corresponding total off-balance sheet assets)		Taxonomy-eligible	2025										
			Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures[315]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	18.12%	7.73%	7.44%	0.13%	0.06%	0.10%	-	-	-	0.39%	3.19%	-
2	Assets under management (AuM KPI)	34.96%	12.04%	11.25%	0.51%	0.10%	0.15%	0.03%	-	-	0.62%	5.67%	-

Template 5: KPI off-balance sheet exposures (Turnover flow)

% (compared to corresponding total off-balance sheet assets)		Taxonomy-eligible	2025										
			Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures[315]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	16.62%	4.17%	4.16%	-	-	0.01%	-	-	-	0.40%	2.86%	-
2	Assets under management (AuM KPI)	25.51%	5.89%	5.52%	0.14%	0.02%	0.18%	0.03%	-	-	0.41%	2.92%	-

Template 5: KPI off-balance sheet exposures (CapEx flow)

% (compared to corresponding total off-balance sheet assets)		Taxonomy-eligible	2025										
			Taxonomy aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures[315]
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1	Financial guarantees (FinGuar KPI)	25.27%	5.55%	5.39%	0.01%	-	0.15%	-	-	-	0.30%	2.29%	-
2	Assets under management (AuM KPI)	29.35%	9.21%	8.66%	0.35%	0.04%	0.12%	0.04%	-	-	0.58%	4.37%	-

[315] In accordance with Article 7(8) of this Regulation.

Corporate governance and remuneration policies

Corporate Governance and remuneration policies

Corporate Governance

Intesa Sanpaolo has adopted the "one-tier" governance system, in line with regulatory provisions, including supervisory provisions, with the principles laid down in the Corporate Governance Code and, in general, with national and international best practices, ensuring the effective and transparent allocation of roles and responsibilities to its Corporate Bodies and the correct balance between the strategic supervision, management and control functions.
For a more detailed description of the corporate governance system, reference should be made to the "Report on Corporate Governance and Ownership Structures" – available in the "Governance" section of the Company's website – prepared in accordance with Article 123-bis of the Consolidated Law on Finance, which requires issuers to provide the market yearly with detailed information on their ownership structures, their compliance with a corporate governance code, their corporate bodies structure and operation as well as their corporate governance practices.

Shareholder base

According to the entries in the Shareholders' Register and the available information, shareholders with stakes represented by shares with voting rights exceeding 3% of capital as at 31 December 2025 – a threshold that, if exceeded, requires disclosure to both the company and Consob[316], pursuant to current Italian legislation (Article 120 of the Consolidated Law on Finance) – are shown in the table below[317].

Shareholder	Ordinary shares	% held
Fondazione Compagnia di San Paolo	1,153,947,304	6.627%
Fondazione Cariplo	961,333,900	5.521%

One-tier governance system

Intesa Sanpaolo adopts the one-tier governance system and therefore operates through a Board of Directors, within which guidance and strategic supervision powers converge; the control functions are carried out by the Management Control Committee, established within the Board of Directors, made up entirely of Independent Directors appointed by the Shareholders' Meeting; the Managing Director and CEO supervises the company's management to the extent of his assigned powers, in compliance with the general planning and strategic guidelines set forth by the Board.
The governance model adopted by the Bank is characterised by a clear allocation of roles and responsibilities among the Bodies:

– the Board of the Company is assigned the guidance and strategic supervision duties and the duty to resolve on all the relevant corporate deeds;
– the Committees appointed by the Board support it in carrying out its own functions in order to facilitate the taking of fully informed decisions;
– the Management Control Committee exercises the powers and functions conferred by the current regulations upon the body with the control function and upon the internal control and audit committee, pursuant to Legislative Decree 39/2010;
– the Managing Director and CEO performs the day-to-day management function, within the scope of the powers delegated by the Board;
– the Managers support the Managing Director and CEO in day-to-day management within Managerial Committees, performing the tasks and powers assigned to them by the Board and detailed in specific Regulations which govern the functioning thereof.

[316] Pursuant to Article 119-bis, paragraph 7 of the Issuers' Regulation, companies and licensed parties holding shares as assets under management may use the exemption from the disclosure obligations if the managed shares are more than 3% and less than 5%.
[317] Reference is also made to the information already provided in the 2024 Annual Report regarding BlackRock Inc., which in December 2020 had disclosed a 5.005% holding in the share capital of Intesa Sanpaolo (notified in Form 120 A dated 9 December 2020) as well as a 5.066% aggregate holding (notified in Form 120 B dated 4 December 2020) and has not provided any update of these holdings following the changes made subsequently in the number of shares into which the share capital of Intesa Sanpaolo is divided.

The Shareholders' Meeting

In the one-tier system adopted by the Bank, the ordinary Shareholders' Meeting resolves, amongst other things, on:
- the approval of the financial statements and distribution of net income;
- the appointment, removal and determination of remuneration with respect to the positions of Board Member, Chair and Deputy Chair of the Board of Directors and Chair and members of the Management Control Committee;
- the approval of the Board Members' and personnel's remuneration policies, as well as the plans based on financial instruments;
- the appointment of the independent auditors and the determination of the relative fees, upon the reasoned proposal of the Management Control Committee and, where the conditions are met, the revocation or amendment of said engagement, in consultation with the same Committee;
- the other matters assigned to it by the applicable regulations and the Articles of Association.

The Board of Directors, the Managing Director and the Board Committees

The Board of Directors is composed of a minimum of 15 up to a maximum of 19 members, including non-shareholders, appointed by the Shareholders' Meeting on the basis of slates of candidates submitted by shareholders in line with the legislation for listed companies. Board Members remain in office for three financial years until the date of the next Shareholders' Meeting called to approve the financial statements and the proposal for allocation of net income in accordance with Article 2364 of the Italian Civil Code and may be re-elected.
The Shareholders' Meeting, held on 29 April 2025, determined the number of members of the Board as 19 and appointed the Board of Directors for the 2025/2026/2027 financial years, electing as its Chair Gian Maria Gros-Pietro and as Deputy Chair Paola Tagliavini. The election took place on the basis of slates of candidates who meet the requirements envisaged by law and by the Articles of Association.

The Board of Directors is responsible for exercising the Company's guidance and strategic supervision duties and for resolving on all the most important corporate actions, with the power to undertake all transactions considered necessary, useful or appropriate in achieving the corporate purpose, of both an ordinary and extraordinary nature, and to adopt all decisions reserved to it by law, by the Articles of Association and by the regulations. In specific cases and in the manner provided for by law and the Articles of Association, the most significant management decisions are submitted to the Shareholders' Meeting for approval.
With regard to its corporate management duties, the Board, without prejudice to the powers reserved for it, delegates to the Managing Director the necessary and appropriate powers to ensure consistency in day-to-day management, in implementation of the guidelines decided by the same Board. The Board determines the content, limits and methods of exercise of the powers granted to the Managing Director and establishes how he must report back to the Board on the delegated activities, on a quarterly basis.
At the meeting held on 29 April 2025, the Board of Directors, in continuity with the previous mandate, unanimously confirmed the appointment of Carlo Messina as Managing Director and CEO, who was granted the necessary and appropriate powers to ensure consistency in day-to-day management, in implementation of the guidelines issued by the Board.
The Managing Director is the Chief Executive Officer and General Manager and supervises the company's management to the extent of his assigned powers, in compliance with the general planning and strategic guidelines set forth by the Board. He determines and issues operational directives and is responsible for personnel management.
The Board of Directors has established five internal Committees, the prerogatives and duties of which comply with the provisions of the Articles of Association and the Supervisory regulations in force:
- Nomination Committee: it performs inquiry and advisory duties to support the Board in the process of appointment or co-optation of the Board Members to ensure that the composition of the Body, in terms of size and professionalism, makes it possible to fulfil its duties efficiently, as part of the process for the appointment of members of the Bodies of the main subsidiaries; the Committee also performs the other duties assigned to it pursuant to the law or by the Board of Directors;
- Remuneration Committee: it inquires, proposes and advises on remuneration and incentive matters, thereby supporting the Board, and performs the other duties assigned to it pursuant to the law or by the Board of Directors;
- Risks and Sustainability Committee: it supports the Board in the performance of strategic supervision functions regarding risks, the internal control system and sustainability, and performs the other duties assigned to it pursuant to the law or by the Board of Directors.
- Committee for Transactions with Related Parties: it carries out the tasks assigned to it by the rules on transactions with related parties and associated entities; in particular, it issues its opinion on the transactions that fall within the scope of application of the rules and of the internal regulations;
- Governance Committee: it supports the Board of Directors with inquiry and advisory roles in examining specific issues related to the Bank's governance.

The Management Control Committee

The Management Control Committee, appointed by the Shareholders' Meeting as part of the Board of Directors, consists of 5 members of the Board of Directors elected by the Shareholders' Meeting of 29 April 2025, who appointed as its Chair Roberto Franchini. All Committee members meet the independence requirements laid down in the Articles of Association.
The Management Control Committee performs the duties assigned by current legislation to the control body of a parent company of a banking group heading a financial conglomerate and issuing listed shares and also operates as the Internal Control and Audit Committee pursuant to Article 19, paragraph 2, letter c) of Legislative Decree no. 39/2010.

Among other activities, the Committee supervises:
– compliance with the regulations, the principles of correct management and the actual implementation of the corporate governance rules set forth in the Corporate Governance Code,
– the adequacy of the Company's organisational, administrative and accounting structure,
– the statutory audit process and accounting and financial disclosures,
– the adequacy, efficiency and functionality of the internal control system,
– the adequacy, efficiency and functionality of the risk governance and management process and the business continuity plan.

The Committee is also exclusively entrusted with the task of examining and conducting a prior assessment of the accounting/financial documentation to the Board of Directors' resolutions.

The Committee may, after notifying the Chair of the Board of Directors, convene the Shareholders' Meeting whenever it deems it necessary for the performance of its duties or if, during its activities, it detects objectionable facts of significant severity and requiring urgent measures.

The operating structure

Divisions, Governance Areas and Head Office Departments reporting directly to the Managing Director and CEO

The Parent Company is divided into Divisions – comprising business line aggregations with similar characteristics in terms of products and services provided and in terms of regulatory framework – and into Head Office Structures grouped into Governance Areas in a direct reporting line to the Managing Director and CEO, which exercise guidance, coordination, control, support and service functions at Group level, as detailed below.
– Divisions
  - Banca dei Territori Division;
  - IMI Corporate & Investment Banking Division;
  - International Banks Division;
  - Wealth Management Divisions, which consists of the following Divisions: Private Banking Division, Asset Management Division and Insurance Division;
– Governance Areas
  - Chief Governance, Operating & Transformation Officer Governance Area, which includes the Chief Equity, Legal & M&A Officer Governance Area, the Chief Transformation & Organisation Officer Governance Area and the Chief People & Culture Officer Governance Area;
  - Chief Sustainability Officer Governance Area, which includes the Chief Social Impact Officer Governance Area;
  - Chief Security Officer Governance Area;
  - Chief Data, A.I. and Technology Officer Governance Area;
  - Chief Cost Management Officer Governance Area;
  - Chief Lending Officer Governance Area;
  - Chief Financial Officer Governance Area;
  - Chief Risk Officer Governance Area;
  - Chief Compliance Officer Governance Area;
  - Chief Institutional Affairs and External Communication Officer Governance Area.

In addition to the aforesaid structures, the Chief Audit Officer reports directly to the Board of Directors to ensure his/her necessary autonomy and independence.

The functions assigned to the Governance Areas are as follows:

Chief Governance, Operating & Transformation Officer (C-GOTO) Governance Area

The Chief Governance, Operating & Transformation Officer (C-GOTO) Governance Area is responsible for:
– overseeing the definition of transformation, innovation and organisational evolution strategies for the Group, to support the development of business and governance structures, in line with corporate objectives, promoting and accelerating the implementation of transformation initiatives;
– overseeing the definition of the Group's human resources and industrial relations policies, also promoting the development of the Group's values and culture, in compliance with the applicable regulations and in line with corporate strategies and objectives, to be proposed to the Managing Director and CEO and to the Corporate Bodies for matters within their competence;
– overseeing the definition of the evolutionary strategy for the Group's organisational model, in line with the corporate strategies and objectives, to be proposed to the Managing Director and CEO and to the Corporate Bodies for matters within their competence;
– supporting the Corporate Bodies in defining strategies on extraordinary finance transactions and governance of the investment portfolio for the Group, in line with corporate objectives;
– overseeing the definition of proposals for extraordinary finance transactions, to be submitted to the competent decision-making Bodies for assessment and approval as to matters within their competence;
– ensuring the monitoring of legal risk at Group level and providing legal advice by defining the relevant guidelines;
– ensuring, for the Group, the monitoring of compliance risk with reference to the areas of Protection of Health and Safety in the workplace, pursuant to Italian Legislative Decree No. 81/2008;
– assisting the Managing Director and CEO in his internal and external activities, supporting the examination of major strategic issues and the monitoring of relevant initiatives;
– assisting and advising the Parent Company's Corporate Bodies in the performance of their functions.

The Chief Governance, Operating & Transformation Officer Governance Area is reported to by Corporate Bodies and Corporate Affairs, in addition to the three Governance Areas whose functions are described below:

– ***Chief Equity, Legal & M&A Officer Governance Area***
  - ensuring the analysis of the evolutionary trends of the domestic and international markets of relevance to the Group, in close cooperation with the Business Divisions, to identify potential targets and/or partnerships and/or extraordinary corporate transactions in line with the Group's growth and/or rationalisation strategies as defined in the Business Plan;
  - defining proposals for extraordinary finance transactions for the Group, in line with corporate strategies and objectives, to be submitted to the competent decision-making Bodies for assessment and approval, by the Head of the Chief Governance, Operating & Transformation Officer Governance Area;
  - ensuring compliance with the guidelines and policies regarding the governance of the investment portfolio and the achievement of results in line with the Business Plan;
  - overseeing legal risk at Group level, managing litigation and the related operational risk and defining, in these areas, the guidelines through directives and instructions;
  - providing legal advice and assistance to the Group's structures, following regulatory and case law literature, including at European and international level, ensuring the correct regulatory framework of all new initiatives and supporting the compliance function in the identification and interpretation for the purposes of managing the non-compliance risk.

– ***Chief Transformation & Organisation Officer Governance Area***
  - defining, for the Group, the guidelines on transformation, innovation and organisational evolution (Transformation Plan), based on market trends and international best practices, as well as on an integrated and cross-cutting vision of customer satisfaction and the Group's reputation, in coordination with the Head of the Chief Governance, Operating & Transformation Officer Governance Area;
  - driving the Group's transformation and innovation process, in line with the above-mentioned guidelines, supporting the evolution of the business and governance structures, promoting and accelerating the implementation of the transformation initiatives and projects envisaged in the Business Plan;
  - managing the dissemination of innovation within the Group in a synergistic and structural manner, with a user-centred and sustainable approach, in line with business needs;
  - ensuring the definition and evolution of the Group's organisational model in line with corporate strategies and objectives, developing, in coordination with the Head of the Chief Governance, Operating & Transformation Officer Governance Area, the proposals to be submitted to the Managing Director and CEO and to the Corporate Bodies, for matters within their competence;
  - driving the implementation and transformation of the Group's organisational model with a view to effectiveness and efficiency, defining solutions consistent with regulatory and business requirements and pursuing the digital transformation of processes.

– ***Chief People & Culture Officer Governance Area***
  - defining people management and development policies for the Group, in compliance with the applicable regulations and in line with corporate strategies and objectives, in coordination with the Head of the Chief Governance, Operating & Transformation Officer Governance Area, to be proposed to the Managing Director and CEO and to the Corporate Bodies, for matters within their competence;
  - ensuring the implementation of the above policies through the promotion of innovative programmes and initiatives aimed at the growth and enhancement of human resources;
  - defining the employee remuneration and incentive policies, as provided for in the Guidelines on Remuneration, Incentives and Identification of Risk Takers, in coordination with the Head of the Chief Governance, Operating & Transformation Officer Governance Area, to be proposed to the Managing Director and CEO and to the Corporate Bodies, for matters within their competence;
  - ensuring the governance of labour costs, in line with corporate strategies and objectives;
  - defining training proposals and implements the relevant training programmes to enable the continuous updating of skills, fulfilment of regulatory obligations and professional retraining, in line with the company's needs and strategies, individual motivation and enhancement of all Group people;
  - promoting the dissemination of a Group culture that supports change and contributes to creating an inclusive and high-quality working environment for all people;
  - ensuring, for the Group, the definition of guidelines and policies on the Protection of Health and Safety in the workplace, as well as their implementation.

Chief Sustainability Officer (CSO) Governance Area

The Chief Sustainability Officer (CSO) Governance Area is responsible for:

– ensuring the definition and implementation of the Group's ESG strategy in line with the Group's leadership position in the market and taking into consideration the relationship with stakeholders (customers, shareholders, Group people and all those who work with it, suppliers, the community and the environment – the latter also with regard to responsibility towards present and future generations);
– overseeing the setting and monitoring of qualitative-quantitative ESG targets and the identification of specific actions and initiatives in line with the Group's strategic objectives, with the support of the Group's competent structures, and contributing to the Consolidated Sustainability Statement;
– supporting the business units in the transition of the customer segments towards a sustainable economy, helping them to keep up with the new ESG regulations and to identify new business opportunities, in line with the Group's sustainability objectives;
– playing an active role in the development and promotion of the local areas and communities where the Group operates, supporting non-profit organisations, promoting social inclusion initiatives, and educational activities;

- promoting the Group's historical, artistic, architectural, and archival assets to contribute to the civil and cultural growth of the local areas and communities it serves, ensuring their protection and appreciation;
- promoting innovation in businesses and local areas as a key factor for sustainable development and competitive advantage, through applied research and support for startups, open innovation, the transition to a circular economy, and the development of innovation ecosystems;
- promoting the dissemination of a social, sustainability and innovation culture, also engaging in dialogue with external public and private institutions in collaboration with the Group's competent structures.

The Chief Sustainability Officer Governance Area is reported to by the Chief Social Impact Officer Governance Area, which is responsible for:

- ***Chief Social Impact Officer Governance Area***
  - contributing to the definition of strategic guidelines, overseeing the direction, governance and implementation of initiatives and projects in the Social Impact field carried out by the Group, ensuring relations with the main stakeholders and social parties in coordination with the competent Group functions;
  - identifying intervention models that facilitate the scalability of social initiatives and the activation of system-wide actions potentially generating potential multiplier effects and structural change;
  - promoting the well-being and inclusion of people and their communities through the enhancement of both external and internal best practices, in collaboration with the relevant Group structures;
  - ensuring the direction, coordination and monitoring of initiatives aimed at mitigating the direct environmental impacts generated by the Group's activities;
  - ensuring, for the Group, the monitoring of compliance risk with reference to Environmental Protection, pursuant to Italian Legislative Decree No. 152/2006, performing in this regard the role of Specialist Function envisaged by the Group Compliance Guidelines.

Chief Security Officer (CSeO) Governance Area

The Chief Security Officer (CSeO) Governance Area is responsible for:

- ensuring, for the Group, the definition and implementation of the cybersecurity, business continuity and corporate and physical security strategy, policies and models, in line with corporate objectives and in compliance with the applicable regulations;
- ensuring cybersecurity, corporate and physical security and anti-fraud monitoring, analysing the related risks, defining strategies and mitigating measures;
- coordinating the development and implementation of the guidelines and policies defined within its area of responsibility, promoting their correct application by the Group companies;
- overseeing the development, updating and monitoring of the Group Business Continuity Plan;
- ensuring the information flows to the Corporate Bodies provided for by the Internal Control System and the governance documents within the respective areas of responsibility.

Chief Data, A.I. and Technology Officer (C-DAITO) Governance Area

The Chief Data, A.I. and Technology Officer (C-DAITO) Governance Area is responsible for:

- ensuring, for the Group, the definition and implementation of the strategy, policies and models regarding ICT architectural, methodological and technological standards, data management and data use, and the development and implementation of Artificial Intelligence solutions, in line with corporate objectives and the needs of the Business Owners and in compliance with applicable regulations;
- ensuring, in line with the corporate objectives and the priorities of the Business Owners, the definition and development of innovative IT initiatives, technologies and solutions, implementing the interventions in line with the transformation and innovation guidelines defined by the Chief Governance, Operating & Transformation Officer Governance Area;
- overseeing the evolution of the IT systems, data governance system and operations with a view to the continuous innovation of technological solutions, the operating model and controls, in order to guarantee the Group's constant projection towards a dimension that is evolved and consistent with digitalisation advances, in compliance with the expenditure and investment levels assigned;
- driving the implementation of digital strategies, in line with the above-mentioned guidelines on transformation and innovation, in order to become a data-driven company;
- ensuring the information flows to the Corporate Bodies provided for by the Internal Control System and the governance documents within the respective areas of responsibility;
- ensuring, in agreement and in cooperation with the other competent Governance Areas, the analysis of the impacts of applicable regulations on digitisation, digital innovation and operational resilience relevant to the Area, and defining the related actions.

Chief Cost Management Officer (CCMO) Governance Area

The Chief Cost Management Officer (CCMO) Governance Area is responsible for:

- consistently with corporate strategies and objectives, assisting the Corporate Bodies in defining guidelines and policies on cost management, property, logistics and procurement of the Group;
- coordinating the implementation of guidelines and policies on cost management, property, logistics and procurement by the relevant Group business units, also in the various corporate contexts;
- collaborating with the Chief Financial Officer Governance Area and the Chief Data, A.I. and Technology Officer Governance Area contributing to the definition of the investment initiatives promoted by the same C-DAITO Area, by the Divisions/Business Units and by the other Governance Areas, in line with the objectives of the Business Plan;
- ensuring, through the appropriate control methods, compliance with the guidelines and policies in the aforementioned areas, ensuring, in accordance with the Business Plan, cost management results as well as the service levels offered within the property, logistics and procurement scope.

Chief Lending Officer (CLO) Governance Area

The Chief Lending Officer (CLO) Governance Area is responsible for:

– taking lending decisions, directly or submitting them to responsible corporate Bodies, the relevant lending decisions regarding the assumption and management of the Group's credit risks, directly authorising them as far as it is concerned, including through compliance opinions;
– ensuring the proactive management of credit and guaranteeing the management and the monitoring of the Group's non-performing loans, within the respective area of responsibility;
– ensuring the correct classification and valuation for financial reporting purposes of positions under its responsibility that are classified as non-performing loans;
– managing the stocks and flows of bad loans managed within the Group;
– defining and managing disposals of NPE individual exposures or portfolios and other assets within scope, with the collaboration of other competent functions;
– performing monitoring and control on outsourced activities, including monitoring the performance KPIs of Outsourcers, directly making decisions, or submitting them to the competent Bodies, regarding proposals exceeding the powers delegated to the Outsourcers;
– contributing, within its area of responsibility, to the process of formulating Credit Strategy proposals for the Divisions, with the aim of incentivising new lending, through pricing adjustments, to the economic sectors and customer clusters with the greatest attractiveness in terms of risk-return profile, also taking into account the Group's ESG policies;
– contributing to establishing and evaluating the Group's Sector Framework, coordinating and supporting the Sector Working Group in defining sector performance indicators;
– analysing the evolution of the cost of credit within the Group, also taking into account the application of the aforesaid Credit Strategies;
– assigning and validating the ratings to the positions in scope, also providing support in defining rating allocation processes and tools;
– defining lending relevant regulations and requirements for credit tools development and contribute to the formulation of proposals for the assignment of credit granting and NPL management powers, notwithstanding the responsibility for the final decision belonging to the Chief Risk Officer Governance Area;
– promoting initiatives aimed at disseminating and developing a credit culture;
– ensuring, consistently with the guidelines of the Chief Risk Officer Governance Area, the first level systematic supervision of the relevant credit portfolio, identifying phenomena referring to specific credit aggregates characterised by high levels of anomalies for which to activate the appropriate risk mitigation measures.

Chief Financial Officer (CFO) Governance Area

The Chief Financial Officer (CFO) Governance Area is responsible for:

– assisting the Corporate Bodies in defining, in accordance with the Group corporate strategies and objectives, the guidelines on: administration and tax, planning and management control, treasury and finance, studies and research, balance sheet optimisation from a risk-return perspective, relations with investors and rating agencies;
– coordinating the implementation of said guidelines by the relevant Group business units, and in other corporate areas as appropriate;
– overseeing Asset and Liability Management (ALM) activities, the management of the Treasury securities portfolio, the Funding Plan, the integrated management of liquidity risks as well as financial and regulatory risks, ensuring the satisfaction of funding requirements at Group level;
– defining the Group's future qualitative and quantitative objectives through strategic planning, budgeting, capital management, internal assessment of capital adequacy and liquidity position (ICAAP/ILAAP), monitoring of the Recovery and Resolution Plan and carrying out the continuous analysis of the economic and financial results;
– fulfilling the Parent Company's and the Group's tax obligations and providing assistance and advice on tax matters by strengthening uniformity of conduct at Group level;
– overseeing studies and research on investments, economy and markets;
– overseeing the balance sheet optimisation activities at Group level, supporting the Divisions in the active management of credit risk, with the aim of improving the risk-return profile of balance sheet items in order to create value for shareholders, also through market transactions on performing loan portfolios, together with the other competent corporate functions;
– managing communication and relations with investors, financial analysts, rating agencies and SRI Investors.

The Chief Financial Officer Governance Area also includes the Manager responsible for preparing the Company's financial reports, who ensures the accurate and timely financial reporting of the Bank and of the entire Group, as well as compliance with the relative accounting and supervisory obligations, performing quality control of the processes governing administrative and financial reporting disclosures to the market, pursuant to the appropriate regulations.
The same activity and monitoring are ensured with regard to Consolidated Sustainability Statement.

Chief Risk Officer (CRO) Governance Area

The Chief Risk Officer (CRO) Governance Area is responsible for:

– governing the macro-process of definition, approval, control and implementation of the Group's Risk Appetite Framework (RAF) with the support of the other corporate functions involved;
– consistent with corporate strategies and objectives, assisting the Bodies in defining and implementing guidelines and policies on risk management;
– coordinating the implementation of guidelines and policies on risk management by the relevant Group business units, also in the various corporate contexts;
– designing, developing and maintaining internal risk measurement, management and assessment systems, both for regulatory and – to the extent applicable – management purposes, ensuring they are incorporated into the relevant business processes;
– measuring and controlling the Group's exposure to the various types of risk, also verifying the implementation of the risk management guidelines and policies;
– formulating a prior opinion on the consistency of the Most Significant Transactions with the RAF, ensuring the assessment of all the risk profiles connected with them;
– performing II level monitoring and controls for monitoring ICT and security risk, as well as risks other than credit risk;
– continuously and iteratively validating risk measurement and management systems – used both for the determination of capital requirements and for non-regulatory purposes – in order to assess their compliance with regulatory provisions, operational company and reference market demands and to manage the internal validation process at Group level; in this context, also guaranteeing the monitoring and validation of the Group Data Governance framework and ensuring the definition and oversight of a framework for model risk governance;
– performing II level monitoring and controls on credit quality, the composition and evolution of the various loan portfolios and the proper classification and measurement of single positions ("single name" controls).

Chief Compliance Officer (CCO) Governance Area

The Chief Compliance Officer (CCO) Governance Area is responsible for:

– ensuring at Group level governance of compliance risk, including conduct risk, both in its operational component and in its reputational component, also through the adoption of a graded compliance model for regulations that require specific forms of specialized governance;
– defining, in line with Company strategies and objectives, the guidelines and policies to be adopted to ensure compliance with the Group's regulations, integrating the model of the assessment and management of compliance risk in the Risk Appetite Framework;
– coordinating the implementation of compliance guidelines and policies by the Group's designated units, including companies inside the Group;
– cooperating with the other Corporate Control Functions in order to achieve an efficient integration of the risk management process;
– managing the interactions with Corporate Bodies and Supervisory Authorities as regards compliance issues.

Chief Institutional Affairs and External Communication Officer (CIAECO) Governance Area

The Chief Institutional Affairs and External Communication Officer (CIAECO) Governance Area is responsible for:

– promoting a coordinated, dynamic and result-oriented approach in the management of the Group's institutional relations and external communication in order to support its growth, development and reputation;
– overseeing the Group's institutional relations, promoting and managing relations with institutions, regulators and supervisors – including, by way of example, relations with the European Central Bank and antitrust authorities – schools, universities, think tanks, trade and interest associations at national, European and international level;
– supporting and disseminating knowledge of the Group and Top Management through the management of media relations, in line with the objectives set by the Business Plan;
– promoting and protecting the Group's image and identity – also by means of support initiatives and relations with Stakeholders and reference targets – by disseminating its ethical, social, cultural and educational values, in line with corporate strategies;
– overseeing and developing all the Group's institutional and product advertising and promotional activities, including continuous monitoring and listening and market research;
– overseeing High Impact Value Programmes for the Group and the community on key global transformation trends at national, European and international level;
– overseeing the identification and updating of geopolitical reference scenarios for the contexts in which the Group operates.

Chief Audit Officer (CAO)

The Chief Audit Officer (CAO), who reports directly to the Board of Directors (and therefore it reports to the Chairman), functionally reporting to the Management Control Committee, without prejudice to the appropriate links with the Managing Director and CEO, is responsible for:

– ensuring constant and independent monitoring action on the Bank's and the Group operations and processes to prevent/detect the occurrence of anomalous and risky behaviours or circumstances, by assessing the functionality of the Internal Control System and its suitability as to ensure the effectiveness and efficiency of business processes, the safeguarding of the value of assets and the protection against losses, the reliability and integrity of accounting and management data, the compliance of operations with the policies established by the Corporate Governance Bodies and with internal and external Regulations;
– providing advice to the Group's Corporate Functions, also through participating in projects, in order to create added value and improving the effectiveness of control, risk management, compliance and governance processes;
– ensuring supervision of the Internal Control Systems of the Group's Subsidiaries, also by performing governance and steering activities of the Local Internal Audit Functions;
– supporting corporate governance and ensuring to the Executives, Corporate Bodies and competent Authorities (e.g.

European Central Bank, Bank of Italy, Consob, etc.) a prompt and systematic reporting on the effectiveness of the Internal Control System, on the results of the activities carried out and on the progress of related remedial actions;
– supporting the Surveillance Body pursuant to the Legislative Decree 231/2001 in ensuring constant and independent surveillance of the regular performance of operations and processes, in order to prevent or detect occurrence of anomalous and risky actions or situations, and to monitor compliance with - and the adequacy of - the rules set out in the Model 231;
– ensuring the correct execution of the Internal management process for reporting violations (so called “Whistleblowing”).

Remuneration and incentive policies

Over the last few years, international bodies and regulators have paid increasing attention to the issue of remuneration across different sectors, including, in particular, that of listed companies, banks and banking groups, as well as insurance, assets under management and investment firms, with the aim of guiding operators towards the adoption of remuneration policies and remuneration systems that are consistent with the principles – intensified following the economic and financial crisis – governing the process for drawing up and approving the remuneration and incentive policies, the compensation structure and their transparency.

The regulatory framework has undergone a significant evolution - which is still ongoing - both at the European level and at the national level, in each of the above-mentioned sectors[318].

With reference to listed companies, Art. 123-ter of the Consolidated Law on Finance (Italian Legislative Decree No. 58 of 24 February 1998, “CLF”) provides for the obligation to prepare and make available to the public a report on remuneration policy and compensation paid, divided into two sections (the first illustrating the company’s policy in relation to remuneration and the procedures used for the adoption and implementation of this policy, the second providing information on the remuneration paid), to be drawn up including the information set out in the Issuers’ Regulation, and to be submitted to the Shareholders’ Meeting resolution. The Shareholders’ Meeting is called to cast a binding vote on the first section of the report and to resolve in favour or against the second section. The latter resolution is not binding. In the banking sector, remuneration and incentive policies and practices are the subject of specific regulations at European and national level. These regulations have changed significantly over time. More specifically, and among other things, in implementation of the so-called CRD III (Directive 2010/76/EU) and taking into account the guidelines and criteria defined internationally (including the principles and standards of the Financial Stability Board, the methodologies of the Basel Committee on Banking Supervision, and the Guidelines issued at the time by CEBS), the Bank of Italy, with a measure dated 30 March 2011, issued Supervisory Provisions containing a harmonised set of regulations of remuneration policies, systems and practices in banks and banking groups, relating to the processing and control process, the remuneration structure and the disclosure obligations to the public, thereby requiring, among other things, the approval of the remuneration and incentive policies by the Shareholders’ Meeting, in order to achieve remuneration systems in line with the long-term corporate strategies and objectives connected with company results, appropriately adjusted to take into account all risks, consistently with the capital and liquidity levels required to fulfil the activities undertaken and, in any case, such as to avoid distorted incentives that could lead to regulatory violations or excessive risk-taking for the bank and the system as a whole.
The Bank of Italy intervened once again in the matter with the two recommendations contained in the communications dated 2 March 2012 and 13 March 2013, highlighting in general the need for banks to establish a strategy that is aligned to the objective of preserving the stability of the business, also from a forward-looking perspective, as well as maintaining the conditions of capital adequacy and prudent management of liquidity risk. Subsequently, in 2014, the Supervisory Provisions on remuneration policies and practices - contained in Bank of Italy Circular no. 285/2013 - were revised to implement the regulations contained in the so-called CRD IV (Directive 2013/36/EU). In implementation of CRD IV, in 2014, the European Commission issued the Regulatory Technical Standards (RTS) relating to qualitative and quantitative criteria for the identification of categories of personnel whose professional activities have a material impact on the institution’s risk profile (so-called "Risk Takers"). In December 2015, the EBA, based on the provisions contained in CRD IV, published the update of the “Guidelines on sound remuneration policies”, drawn up by its predecessor CEBS, defining in detail the rules relating to the remuneration structure, remuneration policies and the related governance and implementation processes. The indications of these Guidelines were implemented by the Bank of Italy which, in 2018, updated the regulations on remuneration policies and practices referred to in Circular 285/2013. In 2019 CRD V (Directive 2019/878/EU)[319] and Regulation (EU) 2019/876 (CRR II)[320] were issued. Following the adoption of CRD V, the EBA revised (i) the regulatory technical standards that specify the criteria for identifying Risk Takers (RTS), merged into the Delegated Regulation (EU) 2021/923 published on 9 June 2021 and (ii) the Guidelines on Sound Remuneration Policies, publishing a new version in July 2021 and providing for its application starting from 31 December 2021; as a result, on the other hand, of the issuance of CRR II and subsequently of CRR III, the European Commission published Regulation (EU) 2024/3172 – Implementing Technical Standards – which regulates, among other things, the way in which remuneration disclosures are made. The Bank of Italy implemented CRD V and the essential contents of the new EBA Guidelines as well as the Implementing Technical Standards with the 37th update of Circular 285/2013, published on 24 November 2021.

[318] Please note that the regulatory framework described in this paragraph is up to date as at the date of approval of this document while the following paragraphs refer to the provisions of the 2025 Group Remuneration and Incentive Policies approved by the Intesa Sanpaolo Shareholders’ Meeting held on 29 April 2025.
[319] Amended by Directive 2024/1619/EU (CRD VI), the deadline for transposition of which is 10 January 2026.
[320] Amended by Regulation (EU) 2024/1623 (CRR III).

With regard to the insurance sector, ISVAP (now IVASS), with Regulation No. 39 of 9 June 2011, laid down the principles regarding the decision-making processes, structure and disclosure obligations for the remuneration policies of insurance companies. Regulation No. 39/2011 was subsequently replaced by IVASS Regulation No. 38 of 3 July 2018 on the corporate governance of insurance companies and groups, which implements the Solvency II Directive (Directive 2009/138/EC) and the Guidelines issued by the European Insurance and Occupational Pensions Authority (EIOPA) on the corporate governance system, and incorporates the provisions of ISVAP Regulation No. 39/2011 concerning remuneration policies. Furthermore, on 5 July 2018 IVASS sent a Letter to the market regarding the guidelines on the application of the principle of proportionality in the corporate governance system.
With regard to the asset management sector, the provisions on remuneration, initially contained in the Joint Bank of Italy – Consob Regulation (issued pursuant to Article 6, paragraph 2-bis, of the Consolidated Law on Finance) updated on 27 April 2017 to transpose Directive 2014/91/EU (UCITS V Directive) into Italian law and included, from December 2019, in the Bank of Italy Regulation implementing Articles 4-undecies and 6, paragraph 1, sub-paragraphs b) and c-bis) of the Consolidated Law on Finance, also apply to asset management companies belonging to banking groups, differently according to whether or not the asset management company is classed as significant.
The above Regulation was updated on 23 December 2022 in order, primarily and to the extent relevant here, to implement the new rules on remuneration applicable to investment companies introduced by Directive (EU) 2019/2034 and the Remuneration Policy Guidelines (EBA/GL/2021/13) adopted by the EBA in consultation with ESMA. The framework on remuneration applicable to investment companies is accompanied by, among others, Commission Delegated Regulation (EU) 2021/2154, which sets out regulatory technical standards specifying the criteria to identify categories of staff whose professional activities have a material impact on the risk profile of the investment firm ("Risk Takers"), effective as of 12 December 2021.
Lastly, with reference, inter alia, to the provision of investment services and activities by banks, investment companies and asset management companies, the provisions on remuneration set out in Directive 2014/65/EU (MiFID II) and Delegated Regulation (EU) 2017/565 (MiFID II Delegated Regulation) are also relevant, as well as the "Guidelines on certain aspects of the MiFID II remuneration requirements" issued by ESMA and last updated in April 2023. These provisions aim to strengthen client protection by, among other things, preventing conflicts of interest that may arise in remuneration and incentive matters.
That being said, Intesa Sanpaolo has always extensively focused its attention on remuneration matters, on relative regulation compliance and on maximum transparency to the market.

Procedures for adoption and implementation of the remuneration policies

The role of Corporate Bodies

The Shareholders' Meeting

The Articles of Association require the Shareholders' Meeting to approve the Board Members' and personnel's remuneration policies, as well as the plans based on financial instruments.
The Shareholders' Meeting shall approve the criteria for determining the severance payments to be granted in the event of early termination of the employment agreement or early termination of office, including the limits set for such payments as provided by the regulations currently in force and shall also determine, with the qualified majority threshold defined by the supervisory regulations in force, a ratio between the variable and fixed individual remuneration of the personnel above the ratio of 1:1, but in any case not exceeding the maximum established by the same regulations.
The Shareholders' Meeting determines the remuneration for the members of the Board of Directors and the Management Control Committee and the remuneration for the offices of Chair and Deputy Chair of the Board of Directors and Chair of the Management Control Committee.
In addition, the Shareholders' Meeting resolves with a non-binding vote on the annual disclosure of the remuneration paid pursuant to Article 123-ter of the Consolidated Law on Finance.

The Board of Directors

The Board of Directors may determine, in addition to the fixed remuneration determined by the Shareholders' Meeting and in compliance with the remuneration policies approved by the Shareholders' Meeting, the remuneration of the Board Members to whom the Board itself assigns further special duties in compliance with the Articles of Association, including the office of Managing Director and General Manager.
The Board of Directors is responsible for the drafting of the Group remuneration and incentive policy to be submitted to the Shareholders' Meeting and the definition of the remuneration and incentive systems for persons for whom the supervisory regulations require that this task be performed by the body with strategic supervision function, including the identification of parameters used to evaluate performance objectives and the definition of the variable remuneration deriving from the application of said systems.
The Board of Directors is tasked with determining the remuneration due to the Manager responsible for preparing the Company's financial reports pursuant to Article 154-bis of Legislative Decree 58 of 24 February 1998, as well as to all other Top Risk Takers of the Group and the higher-level Executives of the Corporate Control Functions, in accordance with the provisions of the current legislation.

The Remuneration Committee

The Remuneration Committee was set up by the Board of Directors in order to support with all activities concerning remuneration.
The Committee supports the Board of Directors in preparing proposals to submit to the Shareholders' Meeting.
The Committee is responsible for formulating remuneration proposals for the Managing Director and CEO and for the members of the Board of Directors to whom additional special offices are assigned pursuant to the Articles of Association, as well as with regard to the remuneration systems for the Group Top Risk Takers and the higher-level executives of the Corporate Control Functions, also taking into account the opinion of the Risks and Sustainability Committee and the Management Control Committee insofar as within its competence.
Lastly, the Committee formulates opinions on the achievement of the performance objectives linked to the incentive plans and on the verification of the other requirements laid down for payment of the remuneration.

The Risks and Sustainability Committee

Without prejudice to the responsibilities of the Remuneration Committee, the Risks and Sustainability Committee supports the Board of Directors by analysing the Group's Remuneration and Incentive Policies to verify their link with the Group's current and prospective risks, capital strength and liquidity levels, with specific regard to the performance targets (KPIs) assigned to the Group Top Risk Takers belonging to the Business and Governance functions.
In order to strengthen the independence of the Corporate Control Functions, the Risks and Sustainability Committee (also following consideration in joint session with the Management Control Committee) expresses its opinion on the Incentive Systems for the Chief Risk Officer and the Head of the Internal Validation & Controls structure.

The Management Control Committee

In order to strengthen the independence of the Corporate Control Functions, the Management Control Committee expresses its opinion on the Incentive System for the Top Risk Takers belonging to the Corporate Control Functions, the higher-level personnel of those Functions and the Manager responsible for preparing the Company's financial reports. This opinion is expressed in a joint session with the Risks and Sustainability Committee with regard to the Incentive Systems for the Chief Risk Officer and the Head of the Internal Validation & Controls Structure.

The Chief People & Culture Officer and the Corporate Control Functions

As mentioned above, the Shareholders' Meeting is responsible for approving remuneration policies for employees upon proposal of the Board of Directors and with the involvement of the Remuneration Committee.
The Chief People & Culture Officer is responsible for drawing up the aforementioned remuneration policies, that undergo the relative approval procedure, involving the following, to the extent of their responsibilities, as envisaged by the regulations:

- the Chief Risk Officer Governance Area, in order to ensure consistency of the remuneration policies and resulting incentive systems with the Group's Risk Appetite Framework (RAF);
- the Planning and Control Function, in order to ensure consistency of the remuneration policies and resultant incentive systems with:
  - the strategic short-and medium-long term objectives of the Companies and of the Group;
  - the level of capitalisation and liquidity of the Companies and of the Group;
- the Chief Compliance Officer Governance Area, in order to verify compliance of the remuneration policies and resulting incentive systems with rules, regulations, codes of ethics and standards of conduct applicable to the Group.

The Chief Audit Officer, in accordance with the guidelines of the Supervisory Authority, verifies compliance of the remuneration implementation procedures with the relevant policies, informing the Board of Directors and the Shareholders' Meeting on the results of the verifications conducted.

Remuneration of the members of the Board of Directors

Remuneration of Board Members

The Bank's Articles of Association envisage that the members of the Board of Directors be entitled, in addition to the reimbursement of expenses incurred due to their office, to a fixed remuneration for the services rendered, which is determined for the entire period of their office by the Shareholders' Meeting at the time of their appointment. At the same time, the Shareholders' Meeting also determines the supplementary remuneration of the offices of Chair and Deputy Chair of the Board of Directors.
An insurance policy for administrative liability is signed in favour of the members of the Board of Directors according to the terms resolved on by the Shareholders' Meeting.

Remuneration of the Managing Director and CEO

Pursuant to the Articles of Association, the Managing Director also acts as the General Manager of Intesa Sanpaolo.
The Managing Director and General Manager is entitled to receive a fixed and variable remuneration determined by the Board of Directors in line with the Group remuneration and incentive policies approved by the Shareholders' Meeting.
The Board of Directors, upon the proposal of the Remuneration Committee, determined the remuneration of the Managing Director. This amount is in addition to the amount due as a Board Member. The Managing Director, in his capacity as General Manager, is entitled to receive the gross annual remuneration, the short and long-term incentive system and the supplementary pension scheme, and to receive the additional fringe benefits envisaged for the position determined by the Board of Directors in accordance with the Remuneration and Incentive Policies for employees.

Remuneration of the members of the Management Control Committee

Under the Articles of Association, the Shareholders' Meeting is required, at the time of the appointment of the Management Control Committee and for the entire term of office thereof, to set a specific remuneration for the Board Members of that Committee, consisting exclusively of a fixed amount, which is equal for each Member and higher for the Chair.

Remuneration for participation in the other Board Committees

With regard to the work carried out by Board Members as members of the additional Board Committees, the Board of Directors, pursuant to the Articles of Association and upon proposal by the Remuneration Committee, establishes an additional fixed remuneration for said Board Members, in line with the Remuneration and Incentive Policies approved by the Shareholders' Meeting. In particular, the Board of Directors established, in addition to the remuneration envisaged for the position of Board Member, an attendance fee in relation to the actual participation of the members in the work of the Committees, and a further annual gross fixed remuneration for the Chairs of such Committees.

Remuneration policy for employees and staff not bound by an employment agreement

The remuneration policies of the Intesa Sanpaolo Group are based on the following principles:

- alignment of the conduct held by management and personnel to the interests of all Stakeholders, with a focus on creating value for Shareholders, as well as on the social impact generated on the Communities;
- correlation between remuneration and risks undertaken, through:
  - direction of management and personnel conduct towards the achievement of objectives within a framework of rules aimed at controlling corporate risks;
  - remuneration systems aligned with prudent financial and non-financial risk management policies (including legal and reputational risks), in line with what is defined in the Group's Risk Appetite Framework;
  - the definition of a sufficiently high fixed component to allow the variable portion to decline significantly, even down to zero, upon occurrence of pre-defined conditions;
- orientation towards medium-long term objectives, taking into account the Group Risk Tolerance through the definition of a set of Incentive Systems that allow performance to be oriented over a period of accrual longer than one year and to share the medium-long term results consequent to the implementation of the Business Plan;
- merit, to guarantee better matching with actual performance and the managerial quality identified, through:
  - remuneration flexibility linking the variable component to the results achieved and risks assumed;
  - focus on key staff members with high managerial skills, to whom competitive salary brackets compared with the reference market are reserved;
  - differentiation of the best performances to which variable bonus levels significantly in excess of the average are to be assigned;
- equity, in order to promote proper conduct and standardise treatment in terms of remuneration, through:
  - the correlation between the person's fixed remuneration and the level of responsibility managed, measured through the adoption of a Global Banding system[321], certified by a leading consultancy firm or the career title/professional figure;
  - differentiation of target salaries and the ratio of the variable component to the total remuneration according to the relevant professional category and/or geographical market, with Banding bracket or career title/professional figure being equal;
- gender neutrality, through:
  - ensuring equal pay for equal work, regardless of gender;
  - focus on the gender pay gap and its evolution over time;
- sustainability, to limit expense deriving from application of the policy to values compatible with the available economic and financial means, through:
  - mechanisms to adjust allocations to the overall incentive provisions according to corporate profitability and the Group's results;
  - selective reviews of fixed remuneration based on strict market benchmarks;
  - the determination of appropriate caps on both total incentives and the amount of individual bonuses;
- compliance with legislative and regulatory provisions, with the codes of conduct and other self-regulatory instruments with a focus on the Risk Takers (and, among these, on the so-called Top Risk Takers, including the Key Managers) and on the Corporate Control Functions;
- fairness in customer relations.

Remuneration of Group employees is broken down into the following:

- fixed and/or recurring component;
- variable and/or non-recurring component.

a.1 Fixed remuneration

The fixed component of remuneration for employees is determined on the basis of pre-established non-discretionary criteria such as contract conditions, role held, responsibilities assigned and the employee's specific experience and skills.
In full compliance with the provisions of law, the fixed component includes:

- the gross annual remuneration reflecting the staff member's professional experience and seniority of service;
- allowances tied to the role held, not connected to any type of performance indicator and assigned in a non-discretionary manner to:

[321] The Global Banding System adopted by the Intesa Sanpaolo Group is based on the grouping in homogeneous categories of managerial positions that are similar by levels of complexity/responsibility managed, measured using the international IPE (International Position Evaluation) methodology.

  - the Risk Takers[322] and Middle Management[323] belonging to the Corporate Control Functions and similar roles as well as the Risk Takers of the Group's Human Resources Function[324];
  - the heads of commercial roles within the scope of the physical and digital distribution network of the Banca dei Territori Division;
  - specific categories of staff having a commercial role in the Reyl Group, which operates mainly in the Private Banking segment;
  - expatriate personnel, in order to cover for any differences in cost, quality of life and/or remuneration levels of their destination market;
- allowances and/or fees deriving from offices held in corporate bodies, provided that these are not reversed to the companies to which they belong;
- any benefits designed to increase employee motivation and loyalty of the resources and assigned on a non-discretionary basis. The benefits paid to Group employees may be of a contractual nature (e.g., supplementary pension, health benefits, etc.) or the result of remuneration policy decisions (e.g., company car) and, therefore, have different treatment with respect to different categories of personnel.

a.2 Recurring remuneration

For Non-employee Financial Advisors (hereinafter also "Financial Advisors") and Financial Agents, the "recurring" component consists of commissions, which make up the stable and ordinary portion of remuneration.

In particular, for Financial Advisors, commissions remunerate their activity of placement, management and assistance to customers, and cover the costs they incur in carrying out their activities. For Financial Advisors given additional responsibilities of commercial coordination and supervision of specific activities and/or teams of Financial Advisors, the "recurring" remuneration consists of supervision commissions, for coordinating and supervising a team of Financial Advisors operating within their area of expertise, and of development commissions, for the development and growth in size of the team of Financial Advisors they supervise.

As for the Financial Agents of Prestitalia, recurring remuneration is differentiated according to product macro-categories, as detailed in the Report on remuneration policy and compensation paid. Specifically, with reference to the products provided by Prestitalia (e.g., salary-backed loans), recurring remuneration is divided into 3 components: ordinary, recurring, and additional commissions, which are constant by production segments. On the other hand, with regard to products offered under the distribution agreement with Intesa Sanpaolo (e.g., banking products and services), recurring remuneration is determined by product type as a share of the consideration paid by Intesa Sanpaolo to Prestitalia for the promotion and placement activities governed by the agreement.

In addition, with reference to Financial Agents with accessory contract (Team Leaders), recurring remuneration is also composed of a fixed monthly coordination fee for carrying out the assignment of supervising the commercial activity as well as the supervision commissions calculated on the basis of the commissions generated by the coordinated agents.

b.1 Variable remuneration

The variable component is linked to employee's performance and aligned to the results actually achieved and the risks prudentially assumed, and consists of:

- short-term variable component, paid through the annual Incentive Systems and the Broad-based Short-Term Plan (PVR);
- long-term variable component, paid through the PSP (Performance Share Plan), targeted at the Intesa Sanpaolo Group Management, including the Top Risk Takers and the remaining Group Risk Takers (in Italy and abroad), the LECOIP 3.0 Plan, targeted at the Intesa Sanpaolo Group Professionals (in Italy) and any other long-term incentive plans (e.g. Long-term incentive plans for "Investment" staff operating in AMCs managing AIFs, Loyalty Plan for the employees of the Private Banking Network););
- the carried interest, i.e. the share in the profits of the UCITS or AIF received by personnel as compensation for the management of the UCITS or AIF[325];
- any variable short- and long-term components, tied to the duration of employment in the company (stability or non-competition agreements, one-off retention bonus, project bonus) or extraordinary agreements (entry bonus, buy-out);
- any discretionary benefits.

The assignment of guaranteed bonuses is not envisaged.

The distinction of the variable remuneration in a short-term and a long-term component promotes both attraction and retention of resources, allows performance to be oriented over a period of accrual longer than one year and to share the medium-long term results consequent to the implementation of the Business Plan.

b.2 Non-recurring remuneration

For Financial Advisors, the "non-recurring" component is represented by the commissions paid as annual incentives, with the aim of driving the sales activity to reach specific targets, taking into account both the long-term business strategies and objectives of the Networks they belong to and integrity in customer relations.

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[322] Italy, Slovakia and Croatia, Hungary and Luxembourg perimeter.

[323] Italy, Switzerland, Serbia, New York, Egypt and China perimeter.

[324] Italy perimeter.

[325] Not including the portion of pro rata profit assigned to personnel by virtue of any investments made by them in the UCITS or AIF, provided that they are proportional to the actual percentage of participation in the UCITS or AIF and not exceeding the return recognised to the other investors. For a proper implementation of the regulation, managers must therefore be able to clearly identify the portions of profit which exceed the pro rata profit of the investments and that qualify as carried interest.

Moreover:
– for around 5,000 Financial Advisors of the Fideuram, Sanpaolo Invest and IW Private Investments Networks, a 2022-2025 Long-Term Incentive Plan has been designed;
– for new Financial Advisors of the Fideuram, Sanpaolo Invest, IW Private Investments and Intesa Sanpaolo Private Banking networks, a specific non-recurring component is envisaged as part of the recruitment offer;
– for Financial Advisors of the Fideuram, Sanpaolo Invest and IW Private Investments networks, the Fidelity Plan and the Loyalty Bonus are envisaged, respectively to Financial Advisors with an accessory contract and to those without an accessory contract.

Lastly, non-recurring remuneration also includes any short- and long-term components, tied to the duration of employment in the company (stability or non-competition agreements, one-off retention bonus) or extraordinary components (entry bonus, buy-out);

The remuneration pay mix

In accordance with the regulatory guidelines, the Intesa Sanpaolo Group traditionally adopts a pay mix that is appropriately "balanced" between the fixed (or recurring) component and the variable (or non-recurring) component, in order to:
– allow flexible management of labour costs, as the variable portion may significantly decline, even down to zero, depending on the performance actually achieved during the year in question or in the event that the Group is unable to maintain or restore a solid capital base;
– discourage behaviour focused on the achievement of short-term results, particularly if these involve taking on greater risk.

In order to achieve the above objectives, it is standard Group practice to establish ex ante limitations in terms of balanced ceilings for variable remuneration, through the definition of specific caps applied to bonuses in relation to any over-performance.

As a general rule of thumb, the aforesaid cap to the variable remuneration was determined:
– at 100% of fixed remuneration for roles not belonging to the Corporate Control Functions;
– at 33% of fixed remuneration for roles belonging to the Corporate Control Functions;
– at 60% of fixed remuneration for roles similar to the Corporate Control Functions[326] and the roles belonging to the Group Human Resources Function.

The calculation of the variable remuneration takes into account both the short-term component relating to the Incentive System or PVR and the long-term component assigned through the long-term Incentive Plans (PSP Plan and LECOIP 3.0 Plan), any other long-term incentive plans, any variable components linked to seniority or exceptional components, and compensation in the event of termination of employment agreement or early termination of office (severance pay)[327]. In particular, the PSP and LECOIP 3.0 Plans have an impact on the pro-rata variable remuneration for the entire accrual period.

The maximum limit established by the general criteria (1:1) has been raised to 2:1, as provided for by CRD IV, permitted by the Bank of Italy's Supervisory Provisions and approved by the Shareholders' Meeting, for Group Risk Takers[328] not belonging to the Corporate Control Functions and similar roles, for staff operating in specific and limited professional sectors and highly profitable business segments[329], as well as non-employee Financial Advisors who are recipients of the recruitment offer in order to attract new key resources from the market for the growth and development of the Networks, as they have a significant effect on the Group's average annual total net funding.
Furthermore, starting from 2019, using the option granted by the Supervisory Provisions, the maximum limit on the variable remuneration has been raised above 2:1 up to a maximum of 4:1 for personnel in the "Investments" category of the Group's asset management companies, who work exclusively for the same Asset Management Company.
However, in terms of cap compliance between fixed and variable remuneration (1:1), appropriate pay mix differentiations were identified with reference to the various professional or business segments, in line with the results obtained by means of specific benchmark analyses related to the leading European global banks that also ensure compliance with the internal equity principle, given the use of common benchmarks for each cluster.
The adequacy of the amounts is further verified in comparison to market practices, with ongoing participation in national and international remuneration surveys; for management roles and other particular business positions, the comparison is based on specific Peer Groups, in order to evaluate the competitive alignment with the most appropriate reference market.
In relation to market data, the Intesa Sanpaolo Group aims to align the overall remuneration with median values, notwithstanding the possibility to make the appropriate differentiations for particularly critical positions and/or resources with high management skills.

[326] Roles similar to the Corporate Control Functions include the Manager responsible for preparing the Company's financial reports and the Head of the Group Administrative Governance and Control Structure.
[327] With the exclusion of amounts agreed and recognised: (i) under a non-competition agreement, for the portion that, for each year of the plan's duration, does not exceed the last year of fixed remuneration; (ii) as part of an agreement between the Bank and the staff, wherever reached, for the settlement of an actual or potential dispute, if calculated on the basis of a predefined formula.
[328] Excluding the non-executive members of the Board of Directors of Intesa Sanpaolo and the Group Risk Takers operating in Slovakia, Slovenia, Bosnia and Herzegovina, Moldova and Romania.
[329] The Private Banking branches of Investment Banking, Insurance and Private Banking investment managers, Treasury and Finance, the commercial branch of the Asset Management Division dedicated to the non-captive market, the Heads of Product Management and Development of the Insurance Division, the Heads of the Institutional Clients structures, the Corporate Finance & Advisory structure, the Syndication & Risk Sharing structure, the Global Relationship Managers of the Global Corporate and Institutional Client structures, the Managers of the Corporate and Financial Institutions Desks of certain former Hub branches present in the IMI CIB International Network as well as, within the scope of the Všeobecná Úverová Banka (VUB) Network, the Mortgage Specialists, the Magnifica Relationship Bankers and the Premium Relationship Managers.

The correlation between remuneration, risk and performance is ensured for all employees through:

- the use of a balanced pay mix, as the fixed component is sufficiently high to allow the variable portion, which is never guaranteed, to decline significantly, even down to zero, upon occurrence of the conditions specified below;
- the application of the principle of merit, under which significantly higher-than-average bonuses are awarded for the best performances;
- the adoption, based on the financial sustainability principle, of a structured funding mechanism for the variable component (bonus pool) that:
  - on the one hand, correlates top-down the resources allocated to the majority share of the bonus pool ("Gross Income-based bonus pool") to a specific Group indicator, currently identified in Gross Income; and
  - on the other, provides for the self-funding of a (minority) share of the bonus pool through a percentage from the fee and commission income generated by network employees within the scope of Wealth Management & Protection activities ("commission-based bonus pool")[330];
- within the scope of the Gross income-based bonus pool, the use of a solidarity mechanism between Group and Division results, according to which the amount of total bonuses paid to the employees of each Division depends in part on the Group's overall performance (reflected in the size of the bonus pool) and in part on the performance of the specific Division, measured in terms of the degree of expected contribution to the Group's Gross Income;
- the observance of the access conditions provided for in international and national regulations, namely:
  - at Group level, the achievement of adequate levels of capital strength and liquidity and, in any event, compliance with the limits envisaged in the RAF;
  - at individual level, the propriety of conduct (e.g. absence of disciplinary measures resulting in one or more days of suspension);
- the measurement of performance across multiple dimensions, both quantitative (profitability, growth, productivity, cost of risk/sustainability) and qualitative (strategic actions or projects – including, also for 2025, the transversal Group KPI "Environmental, Social and Governance (ESG)" – and managerial qualities), and covering different scopes (Group/Department/Individual). The following are some examples of indicators for performance drivers:
  - Profitability: average Operating Income/Risk Weighted Assets, Revenues/Assets, Total Income from Insurance Business/Mathematical Reserves;
  - Growth: Net Funding, Medium/long-term Disbursements, New purchases of tax assets, Income from the Non-Life Insurance Business;
  - Productivity: Cost/Income, Administrative Expense Reduction, Full Combined Ratio;
  - Cost of risk/sustainability: Gross NPL Ratio, Gross flows from performing loans to NPE, Operating Losses/Operating Income, Concentration Risk, Maximisation of LCR target levels, Reduction in workplace health and safety risk, Operating losses due to ICT and Cyber Risks;
- the use of corrective mechanisms that act as de-multipliers of the bonus accrued according to the risks taken and the relevant cluster.

It is expressly prohibited for individual employees to undertake personal hedging or insurance strategies on the remuneration or other aspects that may alter or undermine the effects of the alignment with company risk inherent in the remuneration mechanisms described.

Remuneration may not be paid in forms, instruments or methods aimed at avoiding provisions of law.

The termination of the employment agreement involving personnel with state pension or seniority pension rights and/or "Assicurazione generale obbligatoria" (AGO) pension treatment does not result in loss of the right to payment of the entitled amounts, even deferred. In all other cases, the Bank has the right to award any amounts, depending on the specific situations, upon termination of the employment agreement, also through consensual retrenchment agreements providing termination payments. Furthermore, individual prior agreements may be entered into for the determination of the remuneration to be granted in the event of early termination of the relationship, provided that these agreements must comply with all the conditions set out in the Remuneration Policies and in the Supervisory Provisions[331]. In recent years, the Bank has signed specific agreements with the trade unions with regard to the "solidarity fund", applied to employees of all levels, including executives, which also govern the treatment of sums payable to personnel upon termination of the employment agreement in the event of extraordinary transactions and/or company reorganisations[332].

In accordance with the Supervisory Provisions on remuneration, any type and/or form of severance payment agreed in view of or upon early termination of the employment agreement or early termination of office for the amount exceeding the provisions of the law and of the National Collective Bargaining Agreement concerning payments related to the indemnity for failed notice, constitutes severance, including any compensation paid under the non-competition agreement, limited to the portion exceeding the last year of fixed remuneration.

[330] It should be noted that this principle also applies to Financial Advisors who are not employees since, similar to the methods defined for the commission-based bonus pool at the Group level, the Financial Advisor Incentive Systems are self-funding through a percentage of the gross revenues earned by the Company to which they belong.

[331] In line with the practices commonly used among competitors and the leading Italian listed companies, an agreement containing specific contractual provisions on severance was entered into with the Managing Director and CEO. Specifically, in line with the provisions of the Remuneration Policies, this agreement provides, for Good Leavers, for the disbursement, in addition to the indemnity in lieu of the notice period required by law and the collective bargaining agreement, of an amount by way of severance of between 12 and 24 months of fixed remuneration depending on the average of the overall Performance Scorecard score relating to the Group's annual Incentive System for the three years preceding the date of termination of the employment agreement. If this average is less than 80%, no severance payment will be due to the Managing Director and CEO.

[332] In this regard, it should be noted that Section III, paragraph 2.2.3 of the Supervisory Provisions on Remuneration and Incentive Policies and Practices provides for specific exceptions to the applicable rules with reference to amounts agreed upon with a view to or on the occasion of the early termination of employment agreement or termination of office or to exit incentives, as part of extraordinary transactions or corporate restructuring processes, provided that the conditions described therein are met.

In the Intesa Sanpaolo Group, the principles for the definition of these payments - inspired to both the correlation between severance pay and ongoing performance criteria and the control of potential litigations – are:

– ensuring compliance with regulatory capital adequacy requirements;
– no reward for failure;
– unobjectability of individual behaviour (consistency with compliance breaches' criteria).

Pursuant to these criteria and the Supervisory Provisions on remuneration, when negotiating this kind of remunerations, the Group defined that those payments:

– are equal, as a maximum amount, to 24 months of fixed remuneration, and are determined in a different manner for each cluster, in order to take into due consideration the overall evaluation of the work of the person and having particular regard to the Group's capitalisation, liquidity and profitability levels and to the presence or absence of individual sanctions imposed by the Supervisory Authority;
– are paid according to the methods set for short-term variable remuneration, for each cluster;
– are included in the calculation of the ratio between the respective variable remuneration and the fixed remuneration of the last year of employment in the company, not including the sums agreed upon and paid:
    - based on a non-competition agreement, for the portion which, for each year of duration of the agreement, does not exceed the last year of fixed remuneration;
    - within an agreement reached in order to settle a current or potential dispute (wherever reached), if calculated according to a predefined calculation formula approved by the Shareholders' Meeting in advance.

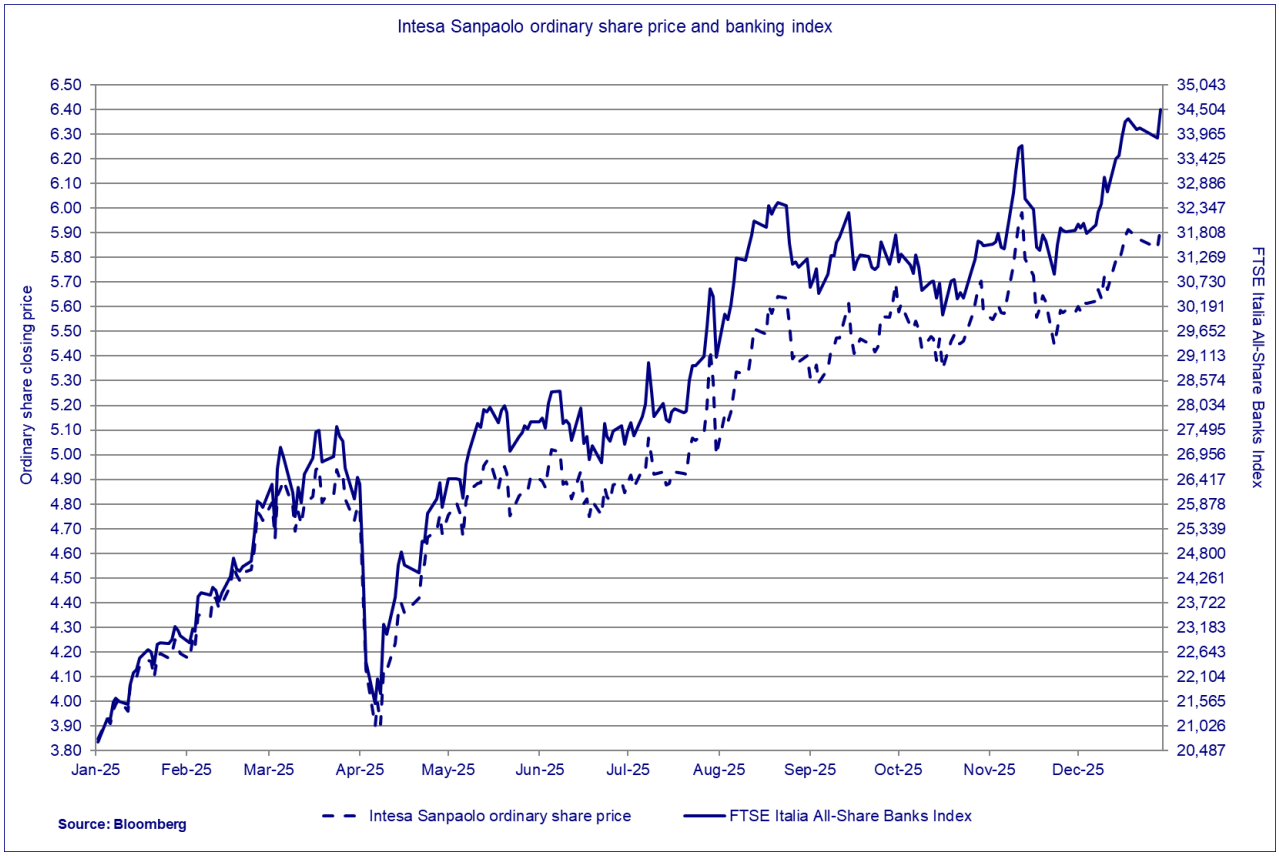
Intesa Sanpaolo shares

Intesa Sanpaolo shares

Share performance

In 2025, the banking sector benefited from a strong first quarter, supported by solid results and capital distribution policies, which led the euro area banking index to close the first three months of 2025 with a performance of +27.5%. At the beginning of April, the introduction of the reciprocal US tariffs caused a sharp correction that almost nullified the sector's year-to-date performance. Subsequently, with the softening of US positions and the positive results reported by the sector, the euro area banking index more than recovered the lost ground, closing the year up by 80.3%, a trend significantly higher than the Euro Stoxx (+21.2%).
In 2025, the Italian banking index recorded an increase of 65.7%, driven by resilient results in a scenario of declining rates, generous shareholder remuneration policies and the ongoing consolidation process in the sector that began at the end of 2024. The Italian banking index recorded a lower performance than that of the European sector, but was significantly higher than the FTSE MIB index (+31.5%).

The price of Intesa Sanpaolo ordinary shares in 2025 mirrored the trend of banking sector indices, with a marked upward trend in the first two months, fluctuation in March, a sharp decline in the first ten days of April, a sustained recovery until mid-May, fluctuation until mid-July and finally an upward trend, closing the year up 53.3% compared to the end of 2024.
Intesa Sanpaolo's capitalisation rose to 103.1 billion euro at the end of 2025, from 68.8 billion euro at the end of 2024.



Earnings per share

Intesa Sanpaolo's share capital consists solely of ordinary shares.
Net income attributable to ordinary shares is determined considering the dividends proposed and then allocating the residual portion of net income, in the hypothetical assumption of its total distribution, in equal weight to all outstanding shares.
The Earnings Per Share (EPS) indicator is presented both in the "basic" and in the "diluted" formula: basic EPS is calculated by dividing income theoretically attributable to holders of shares by the weighted average number of outstanding shares (excluding own shares repurchased); diluted EPS also takes into account the effect of any future issues.

	Ordinary shares				
	31.12.2025	**31.12.2024**	**31.12.2023**	**31.12.2022**	**31.12.2021**
Weighted average number of outstanding shares (*)	17,583,596,365	18,017,340,115	18,370,426,095	19,315,541,610	19,377,549,407
Income attributable (millions of euro) (**)	9,321	8,666	7,724	4,379	4,185
Basic EPS (euro)	0.53	0.48	0.42	0.23	0.22
Diluted EPS (euro)	0.53	0.48	0.42	0.23	0.22

(*) The weighted average number of outstanding shares is calculated excluding repurchased treasury shares.

(**) The attributable income for 2022 differs from that published in the 2022 Annual Report due to the adjustments made to the 2022 comparative information following the retrospective application of the new IFRS 17 Insurance Contracts and the IFRS 9 Financial Instruments by the Group's insurance companies, starting from 1 January 2022.

Price/book value

The indicator reflects the value attributed by the market to the share capital of a listed company, and hence indirectly to the company's overall assets. Although it measures the confidence which financial analysts and the financial community have in the company's income prospects and capital strength, the indicator is significantly affected by the external factors that influence share prices.
Also for the Intesa Sanpaolo Group, the level and performance of the indicator – as at 31 December 2025 calculated on both average figures and year-end figures – were influenced by the dynamics of the market and its industry sector. The comparative figures for the years 2021 to 2024 shown in the table are annual averages.

(millions of euro)

	31.12.2025	**2025**	**2024**	**2023**	**2022**	**2021**
Market capitalisation	103,105	88,923	63,323	45,144	38,433	44,535
Group's shareholders' equity	65,226	65,201	64,570	62,533	62,715	64,823
Price / book value	**1.58**	**1.36**	**0.98**	**0.72**	**0.61**	**0.69**

Payout ratio

The ratio represents the proportion between the amount allocated to cash remuneration of shareholders and the total amount of net income produced.

(millions of euro)

	2025	**2024**	**2023**	**2022**	**2021**
Net consolidated income	9,321	8,666	7,724	4,354	4,185
Dividends (*)	6,542	6,065	5,405	3,046	2,931
Payout ratio	**70%**	**70%**	**70%**	**70%**	**70%**

(*) For the years 2025, 2024, 2023 and 2021, the amounts proposed/distributed are partly charged to reserves.
Starting from 2021, the amounts were partly distributed as interim dividends, following specific resolutions of the Board of Directors upon the approval of the results as at 30 September of each year.
The data relating to previous years are shown net of portion not distributed to own shares held at the record date. For 2022, the amount reflects the rounding differences identified when determining the final dividend amount (following the annulment of own shares acquired through the buyback programme).

In compliance with Supervisory Authority instructions and in line with the provisions of the 2022–2025 Business Plan – which envisages a payout of 70% of consolidated net income in each year of the Plan – the following is noted for the year 2025:

– on 26 November 2025 (with coupon presentation on 24 November and record date on 25 November), interim dividends were paid out from 2025 results, as resolved by the Intesa Sanpaolo Board of Directors on 31 October 2025, in compliance with the provisions set out in Article 2433-bis, paragraph 4 of the Italian Civil Code. The interim dividend of 18.60 euro cents per share was paid on the 17,386,262,670 ordinary shares outstanding on the record date for a total of 3,233,844,856.62 euro (net of an undistributed amount of 5,045,611.40 euro relating to 27,126,943 own shares held at the record date);
– on 2 February 2026 the Board of Intesa Sanpaolo resolved to submit to the Ordinary Shareholders' Meeting of 30 April 2026 a proposal for the distribution of a remaining dividend for 2025 of 19 euro cents for each of the 17,413,389,613 ordinary shares constituting the share capital, for a total payout of 3,308,544,026.47 euro. Of that total: (i) 3,012,516,403.05 euro, equal to 17.3 euro cents per share, from the net income for the year, while the remaining (ii) 296,027,623.42 euro, equal to 1.7 euro cents per share, as assignment of reserves drawn on the Share premium reserve. If approved by the Shareholders' Meeting, the dividend distribution will take place from 20 May 2026 (with coupon presentation on 18 May and record date on 19 May).

The total dividend proposed for 2025 is therefore equal to 37.60 euro cents per share, for a total payout of 6,542,388,883.09 euro, equal to 70% of the consolidated net income.

With regard to 2024, it is worth recalling that:

– on 20 November 2024 (with coupon presentation on 18 November and record date on 19 November), interim dividends were paid out from the 2024 results, as resolved by the Intesa Sanpaolo Board of Directors on 31 October 2024. The interim dividend of 17 euro cents per share was paid on the 17,778,801,839 shares outstanding on the record date for a total of 3,022,396,312.63 euro (net of an undistributed amount of 4,227,672.54 euro relating to 24,868,662 own shares held at the record date);
– at the Shareholders' Meeting of 29 April 2025, Intesa Sanpaolo shareholders approved the distribution of a remaining dividend for 2024 of 17.10 euro cents per share on the 17,803,670,501 ordinary shares constituting the share capital, for a total payout of 3,044,427,655.67 euro, of which: (i) 2,252,164,318.38 euro, equal to 12.65 euro cents per share, from the net income for the year, and the remaining (ii) 792,263,337.29 euro, equal to 4.45 euro cents, from the Share premium reserve. The dividend was paid on 21 May 2025 (with coupon presentation on 19 May and record date on 20 May) for a total of 3,042,652,586.92 euro, net of an undistributed amount of 1,775,068.75 euro relating to 10,380,519 own shares held at the record date, which was allocated to the Extraordinary reserve.

The total dividend paid out for 2024 therefore amounted to 34.10 euro cents per share, for a total payout of 6,065 million euro, equal to a ratio of 70% of consolidated net income.

With regard to 2023:

– on 22 November 2023 (with coupon presentation on 20 November and record date on 21 November) interim dividends were paid out from 2023 results, as resolved by the Intesa Sanpaolo Board of Directors on 3 November 2023. The interim dividend of 14.40 euro cents per share was paid on the 18,256,842,646 ordinary shares outstanding on the record date for a total of 2,628,985,341.02 euro (net of an undistributed amount of 3,737,713.40 euro relating to 25,956,343 own shares held at the record date);
– at the Shareholders' Meeting of 24 April 2024, Intesa Sanpaolo shareholders approved the distribution of a remaining dividend for 2023 of 15.20 euro cents per share on the 18,282,798,989 ordinary shares constituting the share capital, for a total payout of 2,778,985,446.33 euro, of which: (i) 2,373,107,308.77 euro, equal to 12.98 euro cents per share, from net income for the year, and the remaining (ii) 405,878,137.56 euro, equal to 2.22 euro cents per share, from the Share premium reserve. The dividend was paid on 22 May 2024 (with coupon presentation on 20 May and record date on 21 May) for a total of 2,776,310,634.08 euro (net of an undistributed amount of 2,674,812.25 euro relating to 17,597,449 own shares held at the record date).

The total dividend paid out for 2023 therefore amounted to 29.60 euro cents per share, for a total payout of 5,405 million euro, equal to 70% of consolidated net income.

With regard to 2022:

– on 23 November 2022 (with coupon presentation on 21 November and record date on 22 November) interim dividends were paid out from 2022 results, as resolved by the Intesa Sanpaolo Board of Directors on 4 November 2022. The interim dividend of 7.38 euro cents per share was paid on the 18,964,880,325 ordinary shares outstanding on the record date for a total of 1,399,608,167.99 euro (net of an undistributed amount of 1,765,505.22 euro relating to 23,922,835 own shares held at the record date);
– at the Shareholders' Meeting of 28 April 2023, Intesa Sanpaolo shareholders approved the distribution of a remaining dividend for 2022 of 8.68 euro cents per share (for a total amount of 1,648,228,114.29 euro), subject to increase due to the annulment of the own shares purchased in execution of the buyback programme. Following the annulment of the shares at the start of May, on 24 May 2023 with coupon presentation on 22 May and record date on 23 May), a remaining dividend of 9.01 euro cents was paid on the 18,282,798,989 ordinary shares constituting the share capital.[333]

[333] The total amount of the dividend paid was 1,646,462,490.59 euro against 1,765,623.70 euro allocated to the Extraordinary reserve in relation to the portion not distributed to the 9,075,453 own shares held at the record date (817,698.32 euro) and the rounding differences arisen during the calculation of the final amount of the dividend (947,925.38 euro).

The total dividend paid out for 2022 therefore amounted to 16.39 euro cents per share, for a total payout of 3,046 million euro, equal to 70% of consolidated net income.

Finally, with regard to 2021:
– on 24 November 2021 (with coupon presentation on 22 November and record date on 23 November) interim dividends were paid out from 2021 results, as resolved by the Intesa Sanpaolo Board of Directors on 3 November 2021. The interim dividend of 7.21 euro cents per share was paid on the 19,399,837,165 ordinary shares outstanding on the record date for a total of 1,398,728,259.60 euro (net of an undistributed amount of 2,208,144.69 euro relating to 30,626,140 own shares held);
– at the Shareholders' Meeting of 29 April 2022, Intesa Sanpaolo shareholders approved the distribution of a remaining dividend of 1,533,063,554.76 euro (7.89 euro cents per share) on the 19,430,463,305 ordinary shares constituting the share capital, of which 1,299,897,995.10 euro as dividends from net income for 2021 (equal to 6.69 euro cents per share) and 233,165,559.66 euro from the Share premium reserve (equal to 1.20 euro cents per share). The dividend was paid on 25 May 2022 (with coupon presentation on 23 May and record date on 24 May) for a total of 1,531,897,089.90 euro (net of an undistributed amount of 1,166,464.86 euro relating to 14,784,092 own shares held at the record date).

Based on the above, the dividend for the year 2021 was set at a total of 15.10 euro cents per share, for a total dividend distribution of 2,931 million euro and a payout ratio of 70% of consolidated net income.

Note that the Shareholder return should also be assessed in the light of the buyback operations executed by Intesa Sanpaolo, by virtue of which Shareholders, without having to further invest, see growth in their share of participation in the Bank's total dividends. Over the time horizon of the 2022-2025 Business Plan, the following transactions were executed: in the second half of 2022 and the first half of 2023, buybacks for a total of 3.4 billion euro (an amount equivalent to the suspended 2019 dividend); in 2024, a buyback of 1.7 billion euro, launched in June and concluded in October; and in 2025, a buyback of 2 billion euro, launched in June and concluded in October.

Over the time horizon of the 2026-2029 Business Plan, approved by the Intesa Sanpaolo Board of Directors on 2 February 2026, a distribution was envisaged corresponding to a payout ratio, based on consolidated net income, of 95% in each year of the Plan, of which 75% through cash dividends and 20% through buybacks.

Dividend yield

This indicator measures percentage return on the shares, calculated as the ratio between the dividend allocated for the year and the market price in the reference year. This return, determined on the basis of average annual share prices, maintained sustainable levels over time, also in view of financial market trends, and, as reiterated above, should be assessed in the light of buyback operations executed since 2022.

	2025	2024	2023	2022	2021
Dividend per share (euro cents) (*)	37.60	34.10	29.60	16.39	15.10
Average stock price (euro)	5.016	3.481	2.438	2.024	2.292
Dividend yield	7.5%	9.8%	12.1%	8.1%	6.6%

(*) The 2022 remaining dividend per share has undergone an increase compared to the resolution of the Intesa Sanpaolo Shareholders' meeting of 28 April 2023 (from 8.68 euro cents to 9.01 euro cents) following the annulment, on 2 May 2023, of all treasury shares purchased in execution of the buyback programme which was launched on 13 February 2023 and concluded on 4 April 2023.

Rating

Summarised below are actions on Intesa Sanpaolo's main ratings taken by the international Agencies in 2025:

– on 18 April, S&P Global Ratings upgraded Intesa Sanpaolo's long-term senior preferred (unsecured) debt rating to "BBB+" from "BBB", with "Stable" outlook. This action followed a similar upgrade of Italy's sovereign debt rating on 11 April, and the improved systemic risk assessment for the Italian banking sector. On 2 February 2026, the agency revised the outlook from "Stable" to "Positive", reflecting the action on the sovereign rating outlook on 30 January 2026;

– on 25 September, Fitch Ratings upgraded Intesa Sanpaolo's long-term senior preferred (unsecured) debt rating to "A-" from "BBB", its short-term deposits rating to "F1" from "F2" and its viability rating to "a-" from "bbb". The outlook is "Stable". The agency reported that the two-notch upgrade reflects the combination of the upgrade in the long-term sovereign rating to BBB+ from BBB, dated 19 September, and the Group's exceptional strength relative to its domestic peers, supported by well diversified products and revenues, and flight-to-quality status;

– on 23 October, Morningstar DBRS upgraded Intesa Sanpaolo's long-term senior preferred (unsecured) debt rating to "A (low)" from "BBB (high)", with "Stable" trend. This action followed a similar upgrade concerning Italy announced by Morningstar DBRS on 17 October and reflects the Group's diversified business model and its solid profile in terms of profitability, asset quality and capital strength;

– on 25 November, Moody's upgraded Intesa Sanpaolo's long-term senior preferred (unsecured) debt rating to "A3" from "Baa1", with "Stable" outlook. This improvement followed a similar action on sovereign rating announced by Moody's on 21 November.

The ratings assigned to Intesa Sanpaolo by the main international agencies, which were unchanged as at the data of approval of these financial statements, are shown below.

	RATING AGENCIES			
	Morningstar DBRS	**Fitch Ratings**	**Moody's**	**S&P Global Ratings**
Short-term debt	R-1 (low)[1]	F1	P-2	A-2
Long-term debt (senior preferred unsecured)	A (low)	A-	A3	BBB+
Outlook / Trend Long-term debt	Stable	Stable	Stable	Positive
Viability	-	a-	-	-

(1) Stable Trend

An always updated information about Intesa Sanpaolo's ratings can be found in the Investor Relations/Rating section of the Group website.

Alternative Performance Measures and Other information

Alternative Performance Measures

Introduction

Pursuant to Article 16 of Regulation 1095/2010/EU, the European Securities and Markets Authority (ESMA) has issued specific Guidelines[334] on the presentation criteria for Alternative Performance Measures (APMs) included by European issuers in regulated information (including the Report on operations in the Annual Report, the Half-yearly report on operations in the Half-yearly report, and the Reports on operations in the Interim Statements), where such measures are not defined or provided for in the rules on financial reporting. These guidelines, in force since 3 July 2016, are designed to promote the utility and transparency of APMs included in the regulated information, by confirming a shared approach to the use of such measures, in order to improve their comparability, reliability, comprehensibility and consistency over time, with resulting benefits for end users. Consob[335] has transposed the Guidelines in Italy and incorporated them into its supervisory practices.
According to the definition provided in the ESMA Guidelines, an Alternative Performance Measure is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. APMs are typically based on financial statement line captions prepared in accordance with applicable financial reporting rules. What sets them apart is that APMs are not defined in the financial reporting framework, yet their use is still widespread, with the role of conveying a view of the entity's performance that is closer to the management's perspective than would be possible using only the defined measures.
Measures published in application of prudential rules, including those laid down in the Regulation and Directive on capital requirements (CRR/CRD), physical or non-financial measures and social and environmental measures do not strictly fall within the definition of APMs.

Intesa Sanpaolo's Alternative Performance Measures

In accordance with Legislative Decree 38 of 28 February 2005, Intesa Sanpaolo prepares its financial statements in compliance with the IAS/IFRS issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Standards – Interpretations Committee (IFRS-IC), endorsed by the European Commission as provided for by EC Regulation 1606 of 19 July 2002, based on the "Instructions for the preparation of the separate and consolidated financial statements of banks and financial companies, which are parent companies of banking groups" issued by the Bank of Italy (Circular 262/2005 as amended), and disclosed in Part A of the Notes to the financial statements.
To facilitate the understanding of trends in income statement and balance sheet figures, Intesa Sanpaolo also uses various Alternative Performance Measures (APMs) to provide a clear, concise and immediate account of the operating results, the financial position and the performance achieved. Intesa Sanpaolo's APMs – commonly used in banking and finance – are also used by the management in decision-making processes of both an operational and strategic nature.
The Alternative Performance Measures used are supplementary to the measures defined within the IFRS framework. These measures – described below in accordance with the above-mentioned ESMA Guidelines – include the margins of the reclassified income statement and the aggregates of the reclassified balance sheet, in addition to other measures calculated on the basis of the figures presented in the financial statements. The figures used are thoroughly reconciled with the related figures defined in the IFRS framework through the disclosures provided in the Report on operations and reconciliation statements included in the Attachments to the Financial Statements. The figures used are normally restated to enable like-for-like comparison when this restatement is necessary and material (mainly as a result of changes in the scope of consolidation).

In accordance with the ESMA Guidelines, no new measures have been added, nor have any changes been made to the measures used with regard to both the military conflict between Russia and Ukraine and any potential geopolitical impacts.

[334] ESMA Guidelines on Alternative Performance Measures of 5 October 2015 (ESMA/2015/1415en).
[335] Consob Communication No. 0092543 of 3 December 2015

Margins of the reclassified income statement

With regard to the reclassified income statement, the following aggregates and margins have been identified as Alternative Performance Measures.

Operating income: this aggregate includes core income and other income/expenses strictly correlated with operating activity. It is calculated as the sum of the following captions of the reclassified income statement:
– Net interest income;
– Net fee and commission income;
– Income from insurance business;
– Profits (losses) on financial assets and liabilities at fair value;
– Other operating income (expenses).

Operating costs: this aggregate includes costs and expenses relating to the operating activity presented in the following captions of the reclassified income statement:
– Personnel expenses;
– Administrative expenses;
– Adjustments to property, equipment and intangible assets.

Operating margin: margin measured as the difference between Operating income and Operating costs, as described above, representing the result of operations.

Gross income: operating margin that takes into account the effects of adjustments, provisions and impairment losses and realised gains/losses on loans and other assets. It is obtained by subtracting/adding the following captions of the reclassified income statement to the operating margin:
– Net adjustments to loans;
– Other net provisions and net impairment losses on other assets;
– Other income (expenses);
– Income (Loss) from discontinued operations.

Lastly, Net income (loss) includes income components beyond the company's control (taxes, levies and charges aimed at maintaining the stability of the banking industry), items of an "accounting" nature (effects of purchase price allocations and the impairment (net of tax) of goodwill and other intangible assets), as well as expenses related to restructuring/reorganisation processes. The following captions of the reclassified income statement are considered:
– Taxes on income;
– Charges (net of tax) for integration and exit incentives;
– Effect of purchase price allocation (net of tax);
– Levies and other charges concerning the banking and insurance industry (net of tax);
– Impairment (net of tax) of goodwill and other intangible assets;
– Minority interests.

For detailed information on the breakdown of the individual captions of the reclassified income statement cited above, see the chapter "Economic results and balance sheet aggregates" of this Report on operations. Reconciliations of the individual captions of the reclassified income statement with the captions of the financial statements are presented in an attachment to the financial statements, as also required by Consob in its Communication 6064293 of 28 July 2006. Where comparative figures and/or figures for the reporting period have been restated, a thorough reconciliation is provided in the attachments to the financial statements.

Aggregates of the reclassified balance sheet

With regard to the reclassified balance sheet, which is primarily intended to provide a summary with respect to the financial statements, the following have been identified as Alternative Performance Measures, while the chapter "Economic results and balance sheet aggregates" of this Report provides details of the remaining captions of the reclassified balance sheet derived directly from the financial statements. Reconciliations of the individual captions of the reclassified balance sheet with the captions of the financial statements are presented in an attachment to the financial statements, as also required by Consob in its Communication 6064293 of 28 July 2006. Where the comparative figures have been restated, a thorough reconciliation is provided in the attachments to the financial statements.

Loans to customers
This aggregate includes the captions typical of the lending business with customers relating to the banking segment.
It mainly consists of loans to customers classified as Financial assets measured at amortised cost and, to a lesser extent, exposures in securities (issued by non-financial companies, public entities and others) representing loans to customers. It also includes any portions of loans to customers classified under Financial assets held for trading, Financial assets designated at fair value, Other financial assets mandatorily measured at fair value and Financial assets measured at fair value through other comprehensive income.

Other banking business financial assets and liabilities
This aggregate comprises financial assets and liabilities of the banking business (thereby excluding financial assets and liabilities pertaining to insurance companies) other than loans. In detail, the following captions of the reclassified balance sheet assets are included, as defined below: Financial assets measured at amortised cost which do not constitute loans; Financial assets measured at fair value through profit or loss and Financial assets measured at fair value through other comprehensive income. This aggregate also includes Financial liabilities held for trading in the reclassified balance sheet liabilities, pertaining to the banking segment, considered net of investment certificates, as they are included in direct deposits from banking business.

Financial assets measured at amortised cost which do not constitute loans
This aggregate includes portions of Financial assets measured at amortised cost (both amounts due from banks and loans to customers) of the banking segment not held for financing purposes. These are essentially debt securities of banks, governments, financial institutions and insurance companies. The breakdown of this caption is provided in the detail table included in the chapter "Economic results and balance sheet aggregates".

Financial assets measured at fair value through profit or loss
These include Financial assets held for trading, designated at fair value and mandatorily measured at fair value pertaining to the banking segment, other than those representing loans to customers and due from banks, which are classified to the specific aggregates. The breakdown of this caption is provided in the detail table included in the chapter "Economic results and balance sheet aggregates".

Financial assets measured at fair value through other comprehensive income
These include Financial assets measured at fair value through other comprehensive income of the banking segment, except for portions that represent loans to customers and due from banks, which are classified to the specific aggregates. The breakdown of this caption is provided in the detail table included in the chapter "Economic results and balance sheet aggregates".

Customer financial assets
This aggregate represents total financial assets deposited by customers of the Group, in the various types of direct deposits from banking and insurance business and indirect deposits, as defined further below. In order to avoid duplications, the aggregate is constructed by netting those components of indirect customer deposits that also constitute types of direct deposits.

Direct deposits from banking business
This aggregate includes captions relating to funding from customers. In addition to the financial liabilities measured at amortised cost represented by amounts Due to customers (net of lease payables reclassified to Other liabilities) and Securities issued, it also includes funding – in the form of investment certificates and, to a marginal extent, other instruments – classified under the captions Financial liabilities held for trading and Financial liabilities designated at fair value.

Direct deposits from insurance business
This aggregate groups together funding items from the insurance segment and includes Insurance liabilities recognised on the balance sheet, Financial liabilities designated at fair value pertaining to insurance companies recognised on the reclassified balance sheet, and Other insurance deposits. This last item consists of securities issued and amounts due to customers recognised under Financial liabilities at amortised cost pertaining to insurance companies on the reclassified balance sheet, and includes subordinated liabilities.

Indirect customer deposits
This aggregate refers to investment and distribution activity – for securities, mutual funds, portfolio management schemes and insurance – carried out on behalf of third parties or in connection with the management of securities portfolios. The assets are measured at market prices. Indirect customer deposits are broken down into Assets under management (mutual funds, portfolio management schemes, insurance policies – both proprietary and from third-party asset managers/insurance companies[336] – pension funds and individual pension policies) and Assets under administration (all securities under administration and custody not attributable to assets under management: government bonds, Equities, Third-party bonds, etc.).

Amounts due from and to banks - net interbank position
Amounts due from and to banks include typical asset and liability items relating to interbank dealings in the banking segment.
The aggregate *due from banks* consists primarily of Amounts due from banks recognised as Financial assets measured at amortised cost and, to a lesser extent, any financing to banks classified as Financial assets held for trading, Financial assets designated at fair value, Other financial assets mandatorily measured at fair value, or Financial assets measured at fair value through other comprehensive income.
Amounts *due to banks* include the corresponding caption under Financial liabilities measured at amortised cost, net of lease payables, which are reclassified to Other liabilities.
The *net interbank position* shows the net balance of amounts due from and to banks. It is calculated also including, on the asset side, on-demand deposits held with Central Banks and other banks, which starting from September 2022 are recognised under Cash and cash equivalents, in accordance with the instructions of Bank of Italy Circular 262.

[336] Starting from December 2025, the presentation of assets under management was partially revised, with the aggregate now also including funds established by third parties, portfolio management of third-party companies and insurance policies issued by companies not belonging to the Group, which were previously classified as assets under administration and in custody as not attributable to the Group's product factories.

Other Alternative Performance Measures

In addition to the Alternative Performance Measures represented by the margins of the Reclassified income statement and the aggregates of the Reclassified balance sheet described above, Intesa Sanpaolo also publishes the following APMs.

Profitability ratios

Cost/income ratio
The measure is calculated as the ratio of operating costs (personnel expenses, administrative expenses and adjustments to property, equipment and intangible assets) to the operating income presented in the Reclassified income statement for the year/period and provides a synthetic overview of operating efficiency. For information regarding the breakdown of the captions included in the numerator and denominator of this ratio, see the above and the reconciliation statements attached to the financial statements for a detailed reconciliation.

ROE – Return On Equity
This measure is calculated as the ratio of net income or loss to shareholders' equity and represents the profitability generated by available shareholders' equity. In particular:
– the net income or loss presented in the Income statement for the year/period is used in the numerator; in exceptional cases only, net income or loss may be adjusted to account for any non-recurring components, which are precisely identified. In interim reporting, net income or loss is annualised (except for any non-recurring components, not annualised);
– in the denominator, the shareholders' equity considered is the amount pertaining to the Group at the end of the year/period and does not take into account the AT1 capital instruments and the net income or loss for the year/period.

ROA – Return On Assets
The measure is calculated by comparing the net income or loss to total assets and provides an overview of the profitability of company assets. In particular:
– the net income or loss presented in the Income statement for the year/period is used in the numerator; in exceptional cases only, net income or loss may be adjusted to account for any non-recurring components, which are precisely identified. In interim reporting, net income or loss is annualised (except for any non-recurring components, not annualised);
– in the denominator, period/year-end total assets are used.

Indicators relating to the Intesa Sanpaolo shares

Price/Book value
This measure, which reflects the value attributed by the market to Intesa Sanpaolo, and thus indirectly to its overall assets, is calculated by comparing the market capitalisation to shareholders' equity. It is published on the basis of a time series consisting of average data from the last 5 years/periods, in addition to the calculation on the basis of period-end values at the reporting date. Specifically:
– the average capitalisation for the reporting year/period is used in the numerator. The average capitalisation is calculated on the basis of the average price of shares (arithmetic average of the daily closing prices of trading on Borsa Italiana), multiplied by the weighted average number of shares making up the share capital during the reporting year/period.
In addition to average capitalisation, the year/period-end capitalisation is also published, which is used to calculate the price/book value on the basis of year/period-end figures. Year/period-end capitalisation is calculated by multiplying the closing price on the last trading day on Borsa Italiana by the number of shares at the end of the year/period;
– the average Group shareholders' equity, calculated as the semi-sum of Group shareholders' equity at the beginning and end of the year/period, is used in the denominator. In addition to average shareholders' equity, the value of shareholders' equity at the end of the year/period is published in order to calculate the price/book value on the basis of year/period-end figures.

Payout ratio
This measure, published in table form in the Annual Report based on a time series consisting of data from the last 5 financial years, is the ratio between the amount assigned for the remuneration of shareholders and the total amount of the net income produced. In particular:
– the amount of cash dividends that have been proposed or approved for distribution to the shareholders, inclusive of any amounts arising from the distribution of available reserves, is used in the numerator;
– the net income or loss presented in the Consolidated income statement is used in the denominator, only exceptionally adjusted to account for any non-recurring items, which are duly identified.

Dividend Yield
This measure, published in table form in the Annual Report based on a time series consisting of data from the last 5 financial years, refers to the percentage return on the shares, calculated as the ratio between the dividend and the market price. Specifically:
– the total amount of the dividend per share proposed/approved is used in the numerator;
– the average price of the share, calculated as the annual arithmetic average of the daily closing prices of trading on Borsa Italiana, is used in the denominator.

Risk ratios

Net bad loans/Net loans to customers
The measure is calculated as the ratio of Bad loans to total Loans to customers outstanding at the year/period end, thus providing synthetic indications of the loan portfolio quality. The figures are taken from the financial statements, i.e. net of the related adjustments, and do not include loans to be disposed of that are recognised as assets held for sale. For the definition of the aggregate Loans to customers, see the above. The measure is also calculated with reference to gross values, i.e. before adjustments.

Net non-performing loans/Net loans to customers
This measure is calculated as the ratio of the amount of Non-performing loans (bad loans, unlikely-to-pay loans and past due loans) to total Loans to customers outstanding at the year/period end, thus providing synthetic indications of the loan portfolio quality. The figures are taken from the financial statements, i.e. net of the related adjustments, and do not include loans to be disposed of that are recognised as assets held for sale. For the definition of the aggregate Loans to customers, see the above. The measure is also calculated with reference to gross values, i.e. before adjustments.

Cumulated adjustments on bad loans/Gross bad loans to customers
This measure states the total amount of cumulated adjustments on Bad loans to customers as a ratio of total Bad loans to customers gross of adjustments outstanding at the end of the year/period, thus providing an indicator of the coverage ratio for bad loans. The figures do not include loans to be disposed of that are recognised as assets held for sale. For the definition of the aggregate Loans to customers, see the above.

Cumulated adjustments on non-performing loans/Gross non-performing loans
This measure states total cumulated adjustments on Non-performing loans (bad loans, unlikely-to-pay loans and past due loans) as a ratio of total Non-performing loans gross of the related adjustments outstanding at the end of year/period, thus providing an indicator of the coverage ratio for Non-performing loans. The figures do not include loans to be disposed of that are recognised as assets held for sale. For the definition of the aggregate Loans to customers, see the above.

Cost of credit/Cost of risk
This measure is calculated as the ratio of the amount of net adjustments to loans for the year/period in the Reclassified income statement to the amount of Loans to customers at year/period-end, thus providing synthetic indications of the level of adjustments on the portfolio during the year/period. To enable a valuation more closely linked to ordinary operations, this measure may be accompanied by a version of the same measure calculated with the isolation of particularly significant non-recurring elements, which are precisely identified.
For the definition of the aggregate Loans to customers, see the above. In interim reporting, the numerator is annualised (except for any non-recurring components, not annualised).

Other measures

Loan-to-deposit ratio
This measure is calculated as the ratio of Loans to customers to the amount of Direct deposits from banking business, thus providing synthetic indications of the structure of the customer lending and deposit activity. For the definitions of the aggregates Loans to customers and Direct deposits from banking business, see the above.

Absorbed capital
Absorbed capital is a measure of the risk capital associated with each Group Division in relation to its specific operations. For each Division, the absorbed capital is calculated on the basis of the Risk Weighted Assets (RWAs) measured in accordance with the applicable regulations and supplemented, where necessary, with management data on “economic” capital[337] to take into account the risks not covered by the regulatory metric.

[337] Economic capital consists of an internal estimate of the maximum “unexpected” loss the Group may incur in a given time horizon and considering the desired level of confidence. It aims to quantify the potential economic losses related to the individual risks to which the Group is exposed.

Other information

With regard to information to be included in the Consolidated financial statements as required by specific provisions please note the following:

- the list of Group companies and subsidiaries is provided in the Notes to the consolidated financial statements (Part A, Section 3 – Scope of consolidation and consolidation methods and Part B, Assets – Section 7), in accordance with Bank of Italy instructions;
- Part E - Information on risks and relative hedging policies of the Notes to the consolidated financial statements, in the introductory section on the Manager responsible for preparing the Company's financial reports, also provides information on the certification of compliance, during the year 2025, with the conditions required by Article 15 of Consob Market Regulation 20249/2017 (as amended) for the listing of shares of companies controlling companies established and regulated under the laws of non-EU countries;
- to enable a comprehensive understanding, all the information relating to the Bank's and the Group's connections and transactions with related parties, not only that required by IAS 24 but also that required by Article 5, paragraph 8, of Consob Regulation 17221 of 12 March 2010 (adopted pursuant to Article 2391-bis of the Italian Civil Code), is provided in Part H of the Notes to the consolidated financial statements;
- the information on the own shares of the Parent Company Intesa Sanpaolo held and traded at consolidated level is provided in Part F of the Notes to the consolidated financial statements;
- with regard to the information on corporate governance and ownership structure required by Article 123-bis of the Consolidated Law on Finance, Intesa Sanpaolo has opted to present such information in a separate document from the Report on operations, approved by the Board of Directors and published together with it. Accordingly, in addition to the summary provided in the chapter "Corporate Governance and remuneration policies" of this Report, see the "Report on Corporate Governance and Ownership Structures" available in the Governance section of the Group's website, at www.group.intesasanpaolo.com;
- with regard to the information on the remuneration paid to members of the Management and control bodies, General Managers and Key Managers and on the Parent Company shares held by them, as well as the assignment of financial instruments to board members and general managers or employees pursuant to Article 123-ter of the Consolidated Law on Finance, in addition to the summary provided in the already mentioned chapter "Corporate Governance and remuneration policies" of this Report, see the specific "Report on remuneration policy and compensation paid" published in the Governance section of the Group's website;
- the public disclosure concerning Basel 3 Pillar 3, contained in a specific separate file, is published on the Group's website in the Governance, Risk Management section;
- finally, the country-by-country reporting required by Article 89 of Directive 2013/36/EU of the European Parliament and of the Council (CRD) is also published on the Group's website in the Governance, Risk Management section.

Forecast for 2026

Visibility regarding market prospects remains clouded by a high concentration of uncertainties, linked both to economic policies and to international crisis hotspots. In this respect, there are concerns about the risk of an escalation in Chinese pressure on Taiwan, developments in the Russia-Ukraine conflict, the deterioration in relations between the United States and Europe linked to US ambitions to control Greenland, and the risk of new conflicts in the Middle East. Furthermore, the outlook for US trade policy remains in flux and the emergence of new tensions, including with the European Union, cannot be ruled out. The macroeconomic outlook could also be adversely affected in the event of a sharp correction in equity prices in the technology sector. Conversely, the electoral cycle could provide upward pressure on domestic demand in the United States, while also making it more difficult to interpret interest rate prospects for the dollar.

In Italy, economic activity is expected to remain moderate in 2026. The improvement in household purchasing power, the easing of financial conditions, and the impact of the NRRP are expected to support domestic demand, slightly more than offsetting the negative effect of US protectionist measures on exports. The average annual GDP growth is forecast at above half a percentage point. The public deficit is expected to decline further, although without yet resulting in a reduction in the debt-to-GDP ratio, while allowing risk premiums to remain low.

Inflation is expected to stabilise at levels close to 2%. Markets expect the ECB to leave monetary policy unchanged, with forward rates not factoring in further official rate cuts or increases before the year-end.

The economic outlook for the countries where Intesa Sanpaolo has subsidiaries reflects a mixed picture. In Central and Southeastern Europe (CEE and SEE), growth is expected to be driven by consumption and infrastructure investments financed by EU funds, although this growth may be constrained by weak foreign demand and stagnation in Germany. In Eastern Europe (EE), GDP is expected to be affected by the uncertain geopolitical outlook regarding prospects for a peace agreement between Russia and Ukraine and by weak investor confidence, while in Egypt lower prices should further support the already strong GDP growth observed in the first three quarters of 2025. On the inflation front, the latest data confirm a temporary stabilisation within a broader downward trend that supports expectations of a moderate monetary easing. Specifically, in the CEE/SEE countries where Intesa Sanpaolo operates, inflation fell to 4.5% in 2025 and is expected to decline to around 3.2% by the end of 2026. In the EE countries, it is forecast to average 4.4% in 2026, and in Egypt to reach 12.3%. Overall, 2026 is set to be a year focused on finding a balance between supporting growth and maintaining macroeconomic stability within a challenging international environment.

In the Italian banking system, for 2026 loans to businesses are expected to continue to grow, as a result of more favourable lending conditions. Credit demand is expected to reflect positive investment trends, supported by the approaching conclusion of the National Recovery and Resilience Plan and by tax incentives. The attitude towards credit provision should remain prudent yet accommodative, in light of the controlled state of credit quality. However, lending to businesses will continue to be influenced by the high level of self-financing and the globally uncertain environment. The positive trend in household lending is expected to continue, helped by favourable lending conditions supporting house purchases financed by mortgages, against a backdrop of house prices that are still on the rise. As regards funding from customers, lower interest rates – alongside precautionary motives owing to continued uncertainty – are expected to sustain moderate growth in on-demand deposits. In particular, household deposits will remain supported by a savings rate that, while projected to decline slightly compared with 2025, will remain relatively high and above pre-pandemic levels. In the asset management segment, mutual fund subscriptions are likely to continue, with overall net flows remaining positive, albeit with possible discontinuities related to market volatility. Life insurance is expected to maintain a good growth rate.

For the Intesa Sanpaolo Group, net income of around 10 billion euro is envisaged for 2026, deriving from:
- growth in revenues, mainly driven by commissions and insurance income, with increasing net interest income also thanks to core deposit hedging and volume growth;
- stable costs;
- significant reduction in provisions;
- increase in tax rate (due to the Italian Budget Law) and in levies and other charges concerning the banking and insurance industry.

A strong value distribution is envisaged, with a payout ratio of 95%[338] for 2026, of which 75% through cash dividends[339] and 20% through buyback[340].

The Board of Directors

Turin, 26 February 2026

[338] Calculated on the stated net income.

[339] Subject to the approval from the Shareholders' Meeting.

[340] If the Common Equity Tier 1 ratio exceeds 12.5% and no options for higher-ROI (Return On Investment) capital allocation to external growth are available (focusing on Wealth Management). Subject to approvals from the Shareholders' Meeting and the ECB.

Intesa Sanpaolo Group Consolidated financial statements

Consolidated financial statements

Consolidated balance sheet

(millions of euro)

Assets		31.12.2025	31.12.2024	Changes amount	Changes %
10.	Cash and cash equivalents	37,868	40,533	-2,665	-6.6
20.	Financial assets measured at fair value through profit or loss	162,472	150,943	11,529	7.6
	a) financial assets held for trading	*46,241*	*41,439*	*4,802*	*11.6*
	b) financial assets designated at fair value	*4*	*6*	*-2*	*-33.3*
	c) other financial assets mandatorily measured at fair value	*116,227*	*109,498*	*6,729*	*6.1*
30.	Financial assets measured at fair value through other comprehensive income	163,441	150,269	13,172	8.8
40.	Financial assets measured at amortised cost	532,710	518,702	14,008	2.7
	a) due from banks	*46,005*	*38,460*	*7,545*	*19.6*
	b) loans to customers	*486,705*	*480,242*	*6,463*	*1.3*
50.	Hedging derivatives	7,372	6,505	867	13.3
60.	Fair value change of financial assets in hedged portfolios (+/-)	-5,982	-3,602	2,380	66.1
70.	Investments in associates and companies subject to joint control	2,735	3,036	-301	-9.9
80.	Insurance assets	669	693	-24	-3.5
	a) insurance contracts issued that are assets	*477*	*444*	*33*	*7.4*
	b) reinsurance contracts held that are assets	*192*	*249*	*-57*	*-22.9*
90.	Property and equipment	8,645	9,024	-379	-4.2
100.	Intangible assets	10,003	9,860	143	1.5
	of which:				
	- goodwill	*3,699*	*3,697*	*2*	*0.1*
110.	Tax assets	11,591	12,916	-1,325	-10.3
	a) current	*1,112*	*1,650*	*-538*	*-32.6*
	b) deferred	*10,479*	*11,266*	*-787*	*-7.0*
120.	Non-current assets held for sale and discontinued operations	1,065	667	398	59.7
130.	Other assets	27,298	33,739	-6,441	-19.1
Total assets		**959,887**	**933,285**	**26,602**	**2.9**

Consolidated balance sheet

(millions of euro)

	Liabilities and Shareholders' Equity	31.12.2025	31.12.2024	Changes amount	Changes %
10.	Financial liabilities measured at amortised cost	623,444	599,620	23,824	4.0
	a) due to banks	*57,715*	*45,794*	*11,921*	*26.0*
	b) due to customers	*466,380*	*443,457*	*22,923*	*5.2*
	c) securities issued	*99,349*	*110,369*	*-11,020*	*-10.0*
20.	Financial liabilities held for trading	39,656	42,882	-3,226	-7.5
30.	Financial liabilities designated at fair value	76,380	74,083	2,297	3.1
40.	Hedging derivatives	2,695	4,410	-1,715	-38.9
50.	Fair value change of financial liabilities in hedged portfolios (+/-)	-2,923	-1,819	1,104	60.7
60.	Tax liabilities	2,881	2,097	784	37.4
	a) current	*865*	*383*	*482*	
	b) deferred	*2,016*	*1,714*	*302*	*17.6*
70.	Liabilities associated with non-current assets held for sale and discontinued operations	45	5	40	
80.	Other liabilities	14,693	15,014	-321	-2.1
90.	Employee termination indemnities	614	706	-92	-13.0
100.	Allowances for risks and charges	4,506	4,885	-379	-7.8
	a) commitments and guarantees given	*676*	*601*	*75*	*12.5*
	b) post-employment benefits	*53*	*98*	*-45*	*-45.9*
	c) other allowances for risks and charges	*3,777*	*4,186*	*-409*	*-9.8*
110.	Insurance liabilities	132,518	126,081	6,437	5.1
	a) insurance contracts issued that are liabilities	*132,481*	*126,013*	*6,468*	*5.1*
	b) reinsurance contracts held that are liabilities	*37*	*68*	*-31*	*-45.6*
120.	Valuation reserves	-1,512	-2,332	-820	-35.2
130.	Redeemable shares	-	-	-	
140.	Equity instruments	7,704	8,706	-1,002	-11.5
150.	Reserves	18,539	15,367	3,172	20.6
155.	Interim dividend (-)	-3,234	-3,022	212	7.0
160.	Share premium reserve	24,279	27,601	-3,322	-12.0
170.	Share capital	10,369	10,369	-	-
180.	Treasury shares (-)	-240	-179	61	34.1
190.	Minority interests (+/-)	152	145	7	4.8
200.	Net income (loss) (+/-)	9,321	8,666	655	7.6
	Total liabilities and shareholders' equity	**959,887**	**933,285**	**26,602**	**2.9**

Consolidated income statement

(millions of euro)

		2025	2024	Changes amount	Changes %
10.	Interest and similar income	27,758	34,602	-6,844	-19.8
	of which: interest income calculated using the effective interest rate method	*25,117*	*29,438*	*-4,321*	*-14.7*
20.	Interest and similar expense	-10,448	-16,512	-6,064	-36.7
30.	**Interest margin**	**17,310**	**18,090**	**-780**	**-4.3**
40.	Fee and commission income	11,926	11,392	534	4.7
50.	Fee and commission expense	-2,934	-2,781	153	5.5
60.	**Net fee and commission income**	**8,992**	**8,611**	**381**	**4.4**
70.	Dividend and similar income	1,094	800	294	36.8
80.	Profits (Losses) on trading	1,024	493	531	
90.	Fair value adjustments in hedge accounting	-3	7	-10	
100.	Profits (Losses) on disposal or repurchase of:	130	57	73	
	a) financial assets measured at amortised cost	*208*	*50*	*158*	
	b) financial assets measured at fair value through other comprehensive income	*2*	*10*	*-8*	*-80.0*
	c) financial liabilities	*-80*	*-3*	*77*	
110.	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss	1,925	2,635	-710	-26.9
	a) financial assets and liabilities designated at fair value	*-2,819*	*-5,342*	*-2,523*	*-47.2*
	b) other financial assets mandatorily measured at fair value	*4,744*	*7,977*	*-3,233*	*-40.5*
120.	**Net interest and other banking income**	**30,472**	**30,693**	**-221**	**-0.7**
130.	Net losses/recoveries for credit risk associated with:	-1,843	-1,139	704	61.8
	a) financial assets measured at amortised cost	*-1,769*	*-1,131*	*638*	*56.4*
	b) financial assets measured at fair value through other comprehensive income	*-74*	*-8*	*66*	
140.	Profits (Losses) on changes in contracts without derecognition	-30	-28	2	7.1
150.	**Net income from banking activities**	**28,599**	**29,526**	**-927**	**-3.1**
160.	Insurance service result	1,757	1,653	104	6.3
	a) insurance revenue arising from insurance contracts issued	*3,419*	*3,169*	*250*	*7.9*
	b) insurance service expenses arising from insurance contracts issued	*-1,587*	*-1,446*	*141*	*9.8*
	c) insurance revenue arising from reinsurance contracts held	*70*	*99*	*-29*	*-29.3*
	d) insurance service expenses arising from reinsurance contracts held	*-145*	*-169*	*-24*	*-14.2*
170.	Balance of financial income and expenses related to insurance operations	-5,306	-5,804	498	-8.6
	a) net financial expenses/revenue related to insurance contracts issued	*-5,307*	*-5,805*	*498*	*-8.6*
	b) net financial expenses/revenue related to reinsurance contracts held	*1*	*1*	-	-
180.	**Net income from banking and insurance activities**	**25,050**	**25,375**	**-325**	**-1.3**
190.	Administrative expenses:	-11,364	-11,997	-633	-5.3
	a) personnel expenses	*-6,889*	*-7,422*	*-533*	*-7.2*
	b) other administrative expenses	*-4,475*	*-4,575*	*-100*	*-2.2*
200.	Net provisions for risks and charges	-312	-667	-355	-53.2
	a) commitments and guarantees given	*-71*	*-80*	*-9*	*-11.3*
	b) other net provisions	*-241*	*-587*	*-346*	*-58.9*
210.	Net adjustments to / recoveries on property and equipment	-581	-647	-66	-10.2
220.	Net adjustments to / recoveries on intangible assets	-1,210	-1,111	99	8.9
230.	Other operating expenses (income)	1,163	1,161	2	0.2
240.	**Operating expenses**	**-12,304**	**-13,261**	**-957**	**-7.2**
250.	Profits (Losses) on investments in associates and companies subject to joint control	-269	-32	237	
260.	Valuation differences on property, equipment and intangible assets measured at fair value	-21	-23	-2	-8.7
270.	Goodwill impairment	-	-	-	
280.	Profits (Losses) on disposal of investments	189	-1	190	
290.	**Income (Loss) before tax from continuing operations**	**12,645**	**12,058**	**587**	**4.9**
300.	Taxes on income from continuing operations	-3,304	-3,399	-95	-2.8
310.	**Income (Loss) after tax from continuing operations**	**9,341**	**8,659**	**682**	**7.9**
320.	Income (Loss) after tax from discontinued operations	-	-	-	
330.	**Net income (loss)**	**9,341**	**8,659**	**682**	**7.9**
340.	Minority interests	-20	7	-27	
350.	**Parent Company's net income (loss)**	**9,321**	**8,666**	**655**	**7.6**
	Basic EPS - Euro	**0.53**	**0.48**		
	Diluted EPS - Euro	**0.53**	**0.48**		

Statement of consolidated comprehensive income

(millions of euro)

		2025	2024	Changes amount	Changes %
10.	**Net income (Loss)**	**9,341**	**8,659**	**682**	**7.9**
	Other comprehensive income (net of tax) that may not be reclassified to the income statement	**51**	**133**	**-82**	**-61.7**
20.	Equity instruments designated at fair value through other comprehensive income	60	206	-146	-70.9
30.	Financial liabilities designated at fair value through profit or loss (change in own credit rating)	-39	-65	-26	-40.0
40.	Hedging of equity instruments designated at fair value through other comprehensive income	-	-	-	
50.	Property and equipment	-	-20	-20	
60.	Intangible assets	-	-	-	
70.	Defined benefit plans	30	12	18	
80.	Non-current assets classified as held for sale	-	-	-	
90.	Share of valuation reserves connected with investments carried at equity	-	-	-	
100.	Financial revenue and expenses related to insurance contracts issued	-	-	-	
	Other comprehensive income (net of tax) that may be reclassified to the income statement	**767**	**-492**	**1,259**	
110.	Hedges of foreign investments	-19	14	-33	
120.	Foreign exchange differences	5	-281	286	
130.	Cash flow hedges	-15	225	-240	
140.	Hedging instruments (not designated elements)	-	-	-	
150.	Financial assets (other than equities) measured at fair value through other comprehensive income	975	610	365	59.8
160.	Non-current assets held for sale and discontinued operations	-	-	-	
170.	Share of valuation reserves connected with investments carried at equity	-36	34	-70	
180.	Financial revenue and expenses related to insurance contracts issued	-143	-1,094	-951	-86.9
190.	Financial revenue and expenses related to reinsurance contracts held	-	-	-	
200.	**Total other comprehensive income (net of tax)**	**818**	**-359**	**1,177**	
210.	**Total comprehensive income (captions 10 + 200)**	**10,159**	**8,300**	**1,859**	**22.4**
220.	**Total consolidated comprehensive income pertaining to minority interests**	**18**	**-42**	**60**	
230.	**Total consolidated comprehensive income pertaining to the Parent Company**	**10,141**	**8,342**	**1,799**	**21.6**

Changes in consolidated shareholders' equity as at 31 December 2025

(millions of euro)

	31.12.2025												
	Share capital		Share premium reserve	Reserves		Valuation reserves	Equity instruments	Interim dividend	Treasury shares	Net income (loss)	Shareholders' equity	Group shareholders' equity	Minority interests
	ordinary shares	other shares		retained earnings	other								
AMOUNTS AS AT 31.12.2024	**10,508**	**-**	**27,644**	**14,217**	**1,304**	**-2,515**	**8,706**	**-3,022**	**-180**	**8,659**	**65,321**	**65,176**	**145**
Changes in opening balances	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
AMOUNTS AS AT 1.1.2025	**10,508**	**-**	**27,644**	**14,217**	**1,304**	**-2,515**	**8,706**	**-3,022**	**-180**	**8,659**	**65,321**	**65,176**	**145**
ALLOCATION OF NET INCOME OF THE PREVIOUS YEAR (a)													
Reserves	**-**	**-**	**-**	**3,339**	**-**	**-**	**-**	**-**	**-**	**-3,339**	**-**	**-**	**-**
Dividends and other allocations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,022**	**-**	**-5,320**	**-2,298**	**-2,275**	**-23**
CHANGES IN THE PERIOD													
Changes in reserves (b)	**-**	**-**	**-2,538**	**-**	**161**	**-**	**-**	**-**	**-**	**-**	**-2,377**	**-2,377**	**-**
Operations on shareholders' equity													
Issue of new shares	-	-	8	-	-	-	-	-	2,115	-	2,123	2,123	-
Purchase of treasury shares	-	-	-	-	-	-	-	-	-2,176	-	-2,176	-2,176	-
Interim dividend	-	-	-	-	-	-	-	-3,234	-	-	-3,234	-3,234	-
Dividends	-	-	-792	-	-	-	-	-	-	-	-792	-792	-
Changes in equity instruments	-	-	-	-	-	-	-1,002	-	-	-	-1,002	-1,002	-
Derivatives on treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Stock options	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in equity investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (b)	-33	-	-8	-305	-	-	-	-	-	-	-346	-358	12
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**818**	**-**	**-**	**-**	**9,341**	**10,159**	**10,141**	**18**
SHAREHOLDERS' EQUITY AS AT 31.12.2025	**10,475**	**-**	**24,314**	**17,251**	**1,465**	**-1,697**	**7,704**	**-3,234**	**-241**	**9,341**	**65,378**	**65,226**	**152**
- Group	**10,369**	**-**	**24,279**	**17,074**	**1,465**	**-1,512**	**7,704**	**-3,234**	**-240**	**9,321**	**65,226**		
- minority interests	**106**	**-**	**35**	**177**	**-**	**-185**	**-**	**-**	**-1**	**20**	**152**		

(a) Includes dividends and amounts allocated to the charity allowance of the Parent Company, as well as those relating to consolidated companies, pertaining to minorities.

(b) The Shareholders' Meetings of Intesa Sanpaolo and of the subsidiaries to which the 2025 Financial Statements are submitted for approval are called upon to decide on the approval of the allocation of the one-off levy pursuant to Law 199/2025 to the specific Shareholders' Equity reserves identified by their respective Boards of Directors. See the specific paragraph of the Notes to the consolidated financial statements - Part A - Accounting Policies for further details.

Changes in consolidated shareholders' equity as at 31 December 2024

(millions of euro)

	31.12.2024												
	Share capital		Share premium reserve	Reserves		Valuation reserves	Equity instruments	Interim dividend	Treasury shares	Net income (loss)	Shareholders' equity	Group shareholders' equity	Minority interests
	ordinary shares	other shares		retained earnings	other								
AMOUNTS AS AT 31.12.2023	**10,491**	**-**	**28,019**	**13,711**	**1,132**	**-2,157**	**7,948**	**-2,629**	**-140**	**7,752**	**64,127**	**63,963**	**164**
Changes in opening balances	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
AMOUNTS AS AT 1.1.2024	**10,491**	**-**	**28,019**	**13,711**	**1,132**	**-2,157**	**7,948**	**-2,629**	**-140**	**7,752**	**64,127**	**63,963**	**164**
ALLOCATION OF NET INCOME OF THE PREVIOUS YEAR (a)													
Reserves	**-**	**-**	**-**	**2,721**	**-**	**-**	**-**	**-**	**-**	**-2,721**	**-**	**-**	**-**
Dividends and other allocations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,629**	**-**	**-5,031**	**-2,402**	**-2,392**	**-10**
CHANGES IN THE PERIOD													
Changes in reserves	**-**	**-**	**-**	**-**	**172**	**-**	**-**	**-**	**-**	**-**	**172**	**172**	**-**
Operations on shareholders' equity													
Issue of new shares	-	-	4	-	-	-	-	-	1,766	-	1,770	1,770	-
Purchase of treasury shares	-	-	-	-	-	-	-	-	-1,806	-	-1,806	-1,805	-1
Interim dividend	-	-	-	-	-	-	-	-3,022	-	-	-3,022	-3,022	-
Dividends	-	-	-406	-	-	-	-	-	-	-	-406	-406	-
Changes in equity instruments	-	-	-	-	-	-	758	-	-	-	758	758	-
Derivatives on treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Stock options	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in equity investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	17	-	27	-2,215	-	1	-	-	-	-	-2,170	-2,204	34
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**-359**	**-**	**-**	**-**	**8,659**	**8,300**	**8,342**	**-42**
SHAREHOLDERS' EQUITY AS AT 31.12.2024	**10,508**	**-**	**27,644**	**14,217**	**1,304**	**-2,515**	**8,706**	**-3,022**	**-180**	**8,659**	**65,321**	**65,176**	**145**
- Group	**10,369**	**-**	**27,601**	**14,063**	**1,304**	**-2,332**	**8,706**	**-3,022**	**-179**	**8,666**	**65,176**		
- minority interests	**139**	**-**	**43**	**154**	**-**	**-183**	**-**	**-**	**-1**	**-7**	**145**		

(a) Includes dividends and amounts allocated to the charity allowance of the Parent Company, as well as those relating to consolidated companies, pertaining to minorities.

Consolidated statement of cash flows

(millions of euro)

	2025	2024
A. OPERATING ACTIVITIES		
1. Cash flow from operations	**11,826**	**12,476**
Net income (loss) (+/-)	9,341	8,659
Gains/losses on financial assets held for trading and on other assets/liabilities measured at fair value through profit and loss (-/+)	-3,533	1,155
Gains/losses on hedging activities (-/+)	3	-7
Net losses/recoveries for credit risk (+/-)	2,338	1,568
Adjustments to/net recoveries on property, equipment and intangible assets (+/-)	1,790	1,758
Net provisions for risks and charges and other costs/revenues (+/-)	963	1,764
Net revenues and expenses of insurance contracts issued and reinsurance contracts held (-/+)	3,549	4,151
Taxes, duties and tax credits to be paid/collected (+/-)	624	1,817
Net adjustments to/recoveries on discontinued operations net of tax effect (-/+)	-	-
Other adjustments (+/-)	-3,249	-8,389
2. Cash flow from / used in financial assets	**-24,815**	**-11,890**
Financial assets held for trading	-3,674	-2,706
Financial assets designated at fair value	60	-20
Other financial assets mandatorily measured at fair value	-1,985	4,910
Financial assets measured at fair value through other comprehensive income	-11,874	-10,013
Financial assets measured at amortised cost	-16,523	35
Other assets	9,181	-4,096
3. Cash flow from / used in financial liabilities (*)	**14,763**	**-47,124**
Financial liabilities measured at amortised cost	23,744	-43,832
Financial liabilities held for trading	-3,331	-688
Financial liabilities designated at fair value	-580	-4,022
Other liabilities	-5,070	1,418
4. Cash flow from/used in insurance contracts issued and reinsurance contracts held	**6,461**	**6,351**
Insurance contracts issued that are assets/liabilities (+/-)	6,434	6,308
Reinsurance contracts held that are assets/liabilities (+/-)	27	43
Net cash flow from (used in) operating activities	**8,235**	**-40,187**
B. INVESTING ACTIVITIES		
1. Cash flow from	**511**	**304**
Sales of investments in associates and companies subject to joint control	210	168
Dividends collected on investments in associates and companies subject to joint control	58	53
Sales of property and equipment	93	79
Sales of intangible assets	-	4
Sales of subsidiaries and business branches	150	-
2. Cash flow used in	**-1,737**	**-1,551**
Purchases of investments in associates and companies subject to joint control	-87	-35
Purchases of property and equipment	-276	-286
Purchases of intangible assets	-1,374	-1,383
Purchases of subsidiaries and business branches	-	153
Net cash flow from (used in) investing activities	**-1,226**	**-1,247**
C. FINANCING ACTIVITIES		
Issues/purchases of treasury shares	-2,044	-1,736
Share capital increases	-1,420	355
Dividend distribution and other	-6,324	-5,830
Disposal/acquisition of minority interests in subsidiaries	-	23
Net cash flow from (used in) financing activities	**-9,788**	**-7,188**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**-2,779**	**-48,622**
RECONCILIATION		
Financial statement captions		
Cash and cash equivalents at beginning of period	40,533	89,270
Net increase (decrease) in cash and cash equivalents	-2,779	-48,622
Cash and cash equivalents: foreign exchange effect	114	-115
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**37,868**	**40,533**

LEGEND: (+) from (–) used in

(*) With regard to the disclosure required by par. 44 B of IAS 7, it is noted that the changes in liabilities deriving from financing activities amount to 14,763 million euro (cash flow used) and comprise +23,318 million euro in cash flows, -8,587 million euro in fair value changes and +32 million euro in other changes.

Notes to the consolidated financial statements

Part A – Accounting policies

A.1 – GENERAL CRITERIA

SECTION 1 – DECLARATION OF COMPLIANCE WITH IAS/IFRS

As set forth by Legislative Decree 38 of 28 February 2005, the Intesa Sanpaolo Group's Consolidated financial statements have been prepared in compliance with the accounting principles IAS/IFRS issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Standards - Interpretations Committee (IFRS-IC) and endorsed by the European Commission as provided for by EC Regulation 1606 of 19 July 2002.
The Consolidated financial statements as at 31 December 2025 have been prepared based on the "Instructions for the preparation of the separate and consolidated financial statements of banks and financial companies, which are parent companies of banking groups" issued by the Bank of Italy, in the exercise of powers set forth by Art. 43 of Legislative Decree 136/2015[341], with Regulation of 22 December 2005, which issued Circular 262/2005, and subsequent updates. Specifically, these consolidated financial statements have been prepared in accordance with the format and preparation rules of the 8th update of 17 November 2022.
These Instructions set out compulsory financial statement formats and the related methods of compilation, as well as the content of the Notes to the consolidated financial statements.
The financial statements have been prepared using the IAS/IFRS endorsed and in force as at 31 December 2025 (including the SIC and IFRIC interpretation documents) as listed in the attachments to these financial statements.

The table below shows the new standards or amendments to existing ones, together with the related European Commission endorsement regulations, which came into force in 2025.

IFRS endorsed as at 31.12.2025 in force since 2025

Endorsement regulation	Amendments to standards/interpretations	Effective date
2862/2024	Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability	01/01/2025 First financial year starting on or after 01/01/2025

As shown in the above table, the financial statements at 31 December 2025 reflect the provisions of Regulation no. 2862/2024 Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability. No aspects of particular significance for the Group have been identified in this respect. Below is a brief summary of their main content.

Regulation no. 2862/2024 of 12 November 2024: Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability
Regulation no. 2862/2024 contains small amendments to IAS 21 specifying when a currency is exchangeable into another currency and how to determine the exchange rate when it is not and the disclosure required. The amendments mainly include the introduction of the definition of "exchangeability"[342] and an application guidance to assist entities in determining when a currency is exchangeable (for example, by clarifying how to assess the time frame to obtain the currency).
The amendments do not provide guidance on how to estimate exchange rates when the currency is not exchangeable; instead, detailed disclosure is required to enable readers to understand the methodologies adopted and the impacts on the financial statements.
As also noted by the IASB, the cases subject to regulatory intervention are not frequent. Therefore, given the current context, these amendments are not expected to be relevant to the Intesa Sanpaolo Group.

The table below shows the new standards and amendments to existing ones, together with the related European Commission endorsement regulations, which will become mandatory after 2025, and for which the Intesa Sanpaolo Group has not exercised the option of early adoption.

[341] Art. 43 of Legislative Decree 136/2015 confirmed to the Bank of Italy the powers concerning the layouts of financial statements already previously attributed to the same Authority by Legislative Decree 38/2005.
[342] IAS 21.8: "A currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations."

IFRS endorsed as at 31.12.2025 applicable subsequent to 31.12.2025

Endorsement regulation	Amendments to standards/interpretations	Effective date
1047/2025	Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	01/01/2026 First financial year starting on or after 01/01/2026
1266/2025	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	01/01/2026 First financial year starting on or after 01/01/2026
1331/2025	Annual Improvements to IFRS Accounting Standards - Volume 11 (*)	01/01/2026 First financial year starting on or after 01/01/2026

(*) Regulation no. 1331/2025 introduced the following annual improvements: Cost Method (Amendments to IAS 7), Determination of a "de facto Agent'" (Amendments to IFRS 10), Gain or Loss on Derecognition (Amendments to IFRS 7), Hedge Accounting by a First-time Adopter (Amendments to IFRS 1), Derecognition of Lease Liabilities (Amendments to IFRS 9), Transaction Price (Amendments to IFRS 9).

With reference to endorsement regulations that implement changes to existing accounting standards, Regulations no. 1047/2025, 1266/2025 and 1331/2025, described below, will become applicable as from 1 January 2026.

Regulation no. 1047/2025 of 27 May 2025 – Amendments to the Classification and Measurement of Financial Instruments which amended IFRS 9 and IFRS 7

With respect to the aspects of greatest interest to the Intesa Sanpaolo Group, the amendments clarify the classification of financial assets with environmental, social and governance ("ESG") and similar features. These amendments also impose disclosure requirements to increase transparency in relation to financial instruments with contingent feature. As set out in the recitals of the Regulation, these amendments should promote loans with ESG-linked features as they should be able to apply either amortised costs or FVOCI, on the basis they meet the Solely Payments of Principal and Interest ("SPPI") test. In this way, financial reporting should support economic transition measures that advance the European Green Deal.

The amendments cover the following aspects:

1. *Classification of financial assets*

   The application guidance provides clarification for assessing the characteristics of contractual cash flows, i.e., the so-called SPPI criterion which, if met, leads to the classification of assets at amortised cost or at FVOCI.

   This includes the amendments that clarify the treatment for the SPPI test of financial assets with features linked to Environmental, Social and Governance (ESG) factors which, upon achieving (or failing to achieve) specific ESG KPIs, provide for a variability of the interest rate which is contractually defined (usually the increase and/or decrease of a specific number of basis points).

   In this respect, for contracts where the nature of the contingent event does not relate directly to changes in basic lending risks and costs, for example if the debtor achieves a contractually specified reduction in carbon emissions, the entity shall establish an internal policy in order to assess that the contractual cash flows are not significantly different from those of a financial instrument with identical contractual terms, but without such a contingent feature. In some circumstances, the entity may be able to make that determination by performing a qualitative assessment; but, in other circumstances, it may be necessary to perform a quantitative assessment and, consequently establish the related calculation methodology and thresholds (not covered by the standard).

   This approach also applies to all contracts in force on the date of the initial application, as well as to those issued subsequently, since the amendments are to be applied retrospectively.

   Based on the above, Intesa Sanpaolo has established its own group policy. This policy is not expected to impact recognised financial instruments. Furthermore, as part of a dedicated Group-wide project, Intesa Sanpaolo is already implementing the necessary IT solutions.

   Furthermore, the standard also clarifies the definition of contractually linked instruments ("CLI")[343] and the difference with respect to instruments with non-recourse features[344]. This second aspect – CLI/non-recourse – is not particularly relevant to the Intesa Sanpaolo Group. Based on the analyses carried out, the Group's accounting policy developed when adopting IFRS 9 is already in line with the clarifications introduced by the relevant amendments with respect to conducting the SPPI test.

2. *Derecognition of financial liabilities settled through an electronic cash transfer system*

   Under the amendments, a financial liability is derecognised at the settlement date, unless the entity opts for the application of the new provisions whereby a financial liability can be derecognised at an earlier date if the cash transfer takes place through an electronic payment system and specific conditions are met[345]. The amendment provides for the possibility (and not the obligation) to adopt an accounting policy to be applied consistently to all settlements made through a specific electronic payment system.

[343] Reference is made to instruments in tranches which create concentrations of credit risk to settle liabilities and whose payments are contractually linked to those received from a pool of other financial instruments.

[344] A financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

[345] Specifically, derecognition of a financial liability when using an electronic payment system is permitted if all the following criteria are met:

- the entity has no practical ability to withdraw, stop or cancel the payment instruction or access the cash to be used for settlement as a result of the payment instruction;
- the settlement risk associated with the electronic payment system is insignificant.

The Intesa Sanpaolo Group conducted an in-depth analysis of these regulatory updates to determine their relevance to the Group. According to the analyses, the Group derecognises liabilities at the settlement date (in line with the relevant standard). Furthermore, the application of the above policy on electronic payment systems is not relevant.

3. *New disclosure requirements*

IFRS 7 has been amended to introduce additional disclosure requirements relating to:

– financial instruments with contractual terms that could change the amount of contractual cash flows based on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in basic lending risks and costs (such as the time value of money or credit risk), for example, ESG financial instruments.
  Specifically, based on the appropriate level of aggregation or disaggregation, an entity shall disclose:
  - a qualitative description of the nature of the contingent event;
  - quantitative information about the possible changes to contractual cash flows that could result from those contractual terms (for example, the range of possible changes);
  - the gross carrying amount of financial assets and the amortised cost of financial liabilities subject to those contractual terms.
– equity instruments designated at fair value through other comprehensive income.
  For these instruments, an entity shall disclose the fair value at the end of the reporting period and the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognised during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period. Furthermore, it shall disclose any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period.

With respect to disclosure requirements, the first case is relevant to the Group, specifically ESG financial instruments. In this respect, the related quantitative information will be provided in accordance with the Bank of Italy's indications included in Circular no. 262/05, which is currently being updated.

In accordance with IAS 8, an entity shall apply these amendments retrospectively as of 1 January 2026. However, there is no requirement to restate the comparative period (similarly to the first-time application of IFRS 9).

With respect to the aspects of greatest interest to the Group, namely the SPPI test for products with ESG-linked features and related disclosure, application methods have been defined as part of a specific project involving the relevant departments. Furthermore, measures are currently being implemented in information systems and business processes. As already mentioned, no impacts are expected upon initial application.

Regulation no. 1266/2025 of 30 June 2025 – Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

These amendments help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs).

Specifically, PPAs may refer to:

– the signing of a renewable power purchase agreement (physical PPA) whereby an entity undertakes to purchase a certain amount of electricity produced from renewable sources (e.g. all energy produced by a wind turbine) at a predetermined fixed price for a certain number of years (even a very long time, e.g. 20 years);
– virtual agreements (or virtual PPAs) whereby there is no physical delivery of energy; in these agreements, the difference between the fixed price determined in the PPA and the spot price at which energy can be purchased/sold in the market is settled.

The IASB acted in the light of the increased use of these contracts[346] which help companies to secure their electricity supply from renewable sources such as wind and solar power, at a fixed price per unit of energy purchased or sold. The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions and, at certain times (e.g. weekends or during the night), the entity may not consume all of the purchased energy, resulting in the need to resell it on the market, given the limits to the storage of unused energy.

In order to better reflect in the financial statements how these contracts affect the financial performance of a company, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures.

The amendments include:

– clarifying the application of the own-use exception[347].
  The aim of the amendments is to enable application of the exception envisaged by IFRS 9 for entities that enter into these contracts for the purpose of the receipt of energy in accordance with the entity's expected usage. In this case the contract is outside the scope of IFRS 9 and, consequently, is not classified as a financial instrument to be measured at fair value, but is recognised as a standard energy supply agreement. In practice, the aim is to extend the application of the exception to entities entering into these contracts to receive electricity generated by alternative sources, in accordance with their expected usage, instead of generating short-term profits from price fluctuations, for which fair value presentation is more appropriate;
– allow hedge accounting requirements when these contracts are used as hedging instruments (via a virtual PPA).
  Under the amendments, an entity is permitted to designate as the hedged item a variable nominal amount of forecast electricity transactions, thereby facilitating the effectiveness of the hedging relationship;
– new disclosure requirements which enable investors to understand the effect of these contracts on the performance and cash flows of an entity.
  Specifically, entities are required to provide information about the terms and conditions of these agreements and quantitative and qualitative information about the agreements and their financial effect.

[346] These contracts are becoming increasingly widespread, as they are usually linked to the issuance of renewable energy certificates (RECs).

[347] The own-use exception is defined in paragraph 2.4 of IFRS 9 which governs the contracts to buy or sell a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

At present, the Intesa Sanpaolo Group has entered into a very small number of PPAs that are already classified as "own use" under current legislation and are therefore recognised as energy supply agreements.

Regulation no. 1331/2025 of 9 July 2025 – Annual Improvements to IFRS Accounting Standards – Volume 11
This Regulation implements the amendments issued by the IASB on 18 July 2024 in Annual Improvements to IFRS Accounting Standards – Volume 11 in the framework of its regular improvement process. The annual improvements contain narrow scope amendments; for example, they remove areas of inconsistency in IFRS Accounting Standards or clarify wording where required. Given the limited nature of the amendments, these are not particularly relevant to the Intesa Sanpaolo Group.

The table below shows the new international financial reporting standards or amendments to existing standards that have not yet been endorsed by the European Commission.

IFRS not endorsed as at 31.12.2025

New standards/interpretations		Date of issue
IFRS 18	Presentation and Disclosure in Financial Statements	09/04/2024
IFRS 19	Subsidiaries without Public Accountability: Disclosures	09/05/2024
Amendments to standards/interpretations		
IFRS 19	Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures	21/08/2025
IAS 21	Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	13/11/2025

As regards the IASB documents introducing new standards or amending existing accounting standards pending endorsement, the following is noted:

IFRS 18 Presentation and Disclosure in Financial Statements
IFRS 18 Presentation and Disclosure in Financial Statements was issued by the IASB on 9 April 2024. Its application is mandatory for annual reporting periods starting from 1 January 2027 onwards but earlier application is permitted, subject to the completion of the endorsement process. Comparative information needs to be disclosed in respect of the previous period.
The standard will not affect how companies measure their financial performance, but only the presentation. Indeed, the following will be required:

1. *Introduce defined subtotals in the statement of profit or loss*
   Under IFRS 18, entities need to classify items of income and expense in 5 categories: operating, investing and financing - covered by the new definition introduced by IFRS 18 - in addition to income taxes and discontinued operations, which are unchanged.
   With respect to specific operating segments, such as banking, insurance and financial conglomerates, items of income and expense that would normally be classified in the investing or financing categories contribute to the operating performance since for these entities, investing or financing to customers are the main business activity.
2. *Management-defined performance measures (MPMs)*
   Management-defined performance measures (MPMs) are the subtotals of income and expenses, other than those covered by IFRS 18 or specifically required by other IFRS, that an entity uses in public communications outside financial statements (including, for example, the report on operations and the press releases) to communicate to investors management's view of an aspect of the financial performance of the entity. Under IFRS 18, an entity shall disclose information about its MPMs in a single note to the financial statements, including information that enables users of financial statements to understand them.
3. *Grouping (aggregation and disaggregation) of information*
   IFRS 18 provides application guidance on aggregating information in the primary financial statements and accompanying notes, which have complementary roles. With respect to the expense items to be included in the operating category, under IFRS 18, entities must present these items in a way that provides the most useful structured summary of them, by either the "nature" or "function" of the expense. However, a "mixed" (by both nature and function) presentation is also allowed by disclosing the specific expenses by nature in the notes to the financial statements.
   The Intesa Sanpaolo Group has launched a project to analyse the new regulatory provisions and the operational effects of the new standard, also with the aim of gradually adapting its internal procedures and processes. The preliminary stage of these activities, which involved analysing the provisions of the standard and identifying the aspects relevant to the Group, was launched in 2025. In any case, Italian banks will have to wait for the Bank of Italy's initiatives to adapt to the new standard, in particular, with reference to Circular 262/2005, also in order to assess the consequences on application systems.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued by the IASB in May 2024 and permits subsidiaries that are eligible[348] to provide reduced disclosures instead of the disclosure requirements of other IAS/IFRS.

IFRS 19 does not apply to the preparation of the Intesa Sanpaolo Group's consolidated financial statements, nor of Intesa Sanpaolo's separate financial statements. Overall, the scope of the standard is narrowed for banks, financial intermediaries and insurance companies (which often meet the public accountability criterion).

Amendments to IFRS 19 – Subsidiaries without Public Accountability: Disclosures

On 21 August 2025, the IASB issued amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures. These amendments complement the standard and update it with the reduced disclosure requirements as per the IASB publications issued between February 2021 and May 2024.

Similarly to IFRS 19, these amendments are not relevant to Intesa Sanpaolo.

Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21

On 13 November 2025, the IASB issued some limited amendments to IAS 21 on the translation of the results and the financial position in a hyperinflationary presentation currency[349].

Under the amendments, when an entity's functional currency is the currency of a non-hyperinflationary economy but its presentation currency is the currency of a hyperinflationary economy, the entity shall translate all amounts using the closing rate at the date of the most recent financial statement, balance sheet items and income and expenses, including comparative amounts.

Furthermore, an entity is required to provide specific disclosure to explain the facts and specific circumstances.

These amendments are irrelevant for the preparation of Intesa Sanpaolo's financial statements since the Group's presentation currency, the euro, is not a hyperinflationary presentation currency.

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Accounting treatment of the "one-off levy" under Law no. 199 of 30 December 2025 (the "2026 Budget Act")

It's considered appropriate to provide some clarifications regarding the accounting impacts of the 2026 Budget Act which has introduced – among other changes – important changes to the rules governing the "one-off tax calculated on the increase in banks' net interest income", which was imposed on banks by Article 26 of Decree Law no. 104 of 10 August 2023 (converted with amendments by Law no. 136 of 9 October 2023).

Nevertheless, this rule, which provided for a tax of 40% capped at 0.26% of RWA on the increase in banks' net interest income in 2023 compared to 2021, had provided banks with the possibility of allocating an amount equal to at least two and a half times the tax due to a special non-distributable reserve, instead of paying the tax. Intesa Sanpaolo Group banks subject to this rule availed of this option when approving the 2023 financial statements and allocating the profit for the same year. Consequently, they resolved to allocate a total of approximately 2,069 million euro, equal to two and a half times the tax due equals to approximately 828 million euro to the non-distributable reserve[350]. Furthermore, Law no. 136/2023 stipulated that, had the 2023 reserve been used for profit distribution purposes, the 40% tax would have been due, in addition to interest calculated at the ECB's deposit facility rate, starting from 30 June 2024.

Under the 2026 Budget Act:

– irrespective of the resolution of the shareholders' meeting, the distribution of dividends or reserves by Italian banks starting from the financial year beginning after 1 January 2028 (therefore from 1 January 2029) shall be deemed to be made prioritising the use of the above reserve, resulting in the obligation to pay the Tax at a rate of 40%, plus interest calculated from 30 June 2024;
– the option, until 31 December 2028, to make the reserve subject to a one-off levy at the following rates:
  - 27.5% for the existing reserve in the financial statements as at 31 December 2025;
  - 33% for the existing reserve in the financial statements as at 31 December 2026.

According to express provision of the Law, the one-off levy applies to the reserve regardless of the nature of the items that contributed to its formation and the manner of its establishment. Furthermore, payment of the one-off levy within the above terms, including time limits, entails the non-application of the 40% tax, plus interest.

From an accounting point of view, it is believed, first and foremost, that the provisions of the 2026 Budget Act represent a new obligation, separate from the previous one, which was settled at the time by setting up the reserve. In other words, by establishing the reserve, the Bank has fulfilled the obligation imposed by Decree no. 104/2023. This identifies a new obligation in the provisions of the 2026 Budget Act, separate from the previous one. The purpose of this obligation is ultimately deemed to be the payment of a capital contribution following future distributions of dividends or reserves, starting from 2029.

[348] This standard applies to investees without public accountability, whose parent company prepares its consolidated financial statements in accordance with IFRS Accounting Standards. An entity has public accountability if:
a. its debt or equity instruments are traded in a public market; or
b. it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

[349] Under IAS 21, the presentation currency is the currency in which the financial statements are presented, while the functional currency is the currency of the primary economic environment in which the entity operates.

[350]

	Tax	Reserve
Intesa Sanpaolo	796.6 million	1,991.4 million
Fideuram Intesa Sanpaolo Private Banking	23.7 million	59.3 million
Intesa Sanpaolo Private Banking	6.6 million	16.6 million
Isybank	0.6 million	1.5 million
Total	827.5 million	2,068.8 million

As the IFRS Accounting Standards are silent in this respect[351], for accounting purposes, in accordance with IAS 8, which, here, requires the preparers of the financial statements to refer to provisions covering similar circumstances, the Group has decided to make reference to the provisions of IAS 12, which, in paragraph 61A, provides for the recognition of taxes in line with the item on which the tax is calculated.
Specifically, since the obligation stems from the Group's decision to set up an equity reserve instead of paying the tax referred to in Decree Law no. 104/2023 and that this obligation, as mentioned earlier, is separate from the previous one, while referring also to the provisions of the 2026 Budget Act, whereby "*The one-off levy applies to the 2023 Reserve regardless of the nature of the items that contributed to its formation and the manner of its establishment*," this tax, amounting to approximately 570 million euro[352] for the Intesa Sanpaolo Group, should be recognised as a reduction in an available equity reserve with a balancing entry under "Current tax liabilities".

This impact has been recognised in the consolidated financial statements at 31 December 2025 as a result of:
– the definitive approval of the 2026 Budget Act on 30 December 2025;
– the formalisation, by the Boards of Directors of the banks of the Group subject to the rule, of the decision to opt for the one-off levy prior to the approval of the 2025 "draft financial statements".

The Shareholders of Intesa Sanpaolo called in a meeting to approve the 2025 Financial statements are invited to approve the allocation of the levy to the Share premium reserve and the allocation, with effect from the payment of the levy in the income tax return for the tax period in which it is applied, of the entire amount recognised in the Net income reserve pursuant to Law 136 of 9/10/2023 ("2023 Reserve") to the Extraordinary reserve, thereby eliminating the Net income reserve pursuant to Law 136 of 9/10/2023 ("2023 Reserve") that will become freely available, without further charges for Intesa Sanpaolo after fulfilling the obligation to apply the aforementioned tax.

At the direction of the Parent Company, similar resolutions regarding the exercise of the option to pay the one-off levy were also adopted by the Boards of Directors of the subsidiary banks affected by the measure: Fideuram – Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Banking, and Isybank.

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Accounting treatment of the stamp duty paid on insurance contracts
Law No. 207 of 30 December 2024 (the "2025 Budget Act") introduced amendments to the stamp duty on periodic communications, applicable to life insurance contracts with financial content under Classes III and V of the Private Insurance Code (Legislative Decree 209/2005), referred to in Article 13, paragraph 2-ter, of the Tariff attached to Presidential Decree 642/1972.
In particular, Article 1, paragraph 87, establishes that, starting from 2025, for the periodic communications relating to life insurance contracts under Classes III and V, the stamp duty must be paid by the insurance companies on an annual basis rather than, as previously, cumulatively upon redemption or upon the expiry of the policy.
With regard to life insurance contracts in force as at 1 January 2025, Article 1, paragraph 88, establishes that the amount corresponding to the total stamp duty, calculated for each year up to 2024, must be paid in four instalments, to be paid annually by 30 June in the period 2025-2028, respectively equal to 50%, 20%, 20% and 10% of the total amount.
The accounting treatment of the receivable from customers arising from the advance payment of the stamp duty differs depending on whether it concerns IFRS 17 insurance contracts or IFRS 9 financial contracts:
– for insurance contracts, the receivable from customers as at 31 December 2025 was recognised at the nominal value of 79.2 million euro under Other assets, and the difference between the nominal value and the present value was recognised as a decrease in the Contractual Service Margin (CSM) amounting to 11.6 million euro;
– for financial contracts, the receivable from customers as at 31 December 2025 had a nominal value of 292 million euro and the Intesa Sanpaolo Group used the risk-free market rate of comparable financial instruments in terms of expected maturities to determine the present value of this receivable, amounting to 255.9 million euro, and recognised the difference between the nominal value and the present value as an expense in the income statement amounting to 36.1 million euro. This accounting approach is consistent with Document No. 10 of the Joint Coordination Committee of the Bank of Italy, Consob and IVASS issued on 30 January 2026.

[351] This case is not considered to fall within:
- the scope of IFRIC 21 "Levies" as the payment of the charge by 2028 would reflect an independent decision by the bank, taken within the scope of its powers, and would therefore not constitute a tax imposed by the public administration; nor
- under the scope of IAS 12 "Income Taxes", as it does not qualify as income tax.

[352] Based on the 27.5% rate on the "2023 Reserve" equal to approximately 2,069 million.

SECTION 2 – GENERAL PREPARATION PRINCIPLES

The Consolidated financial statements are made up of the Balance sheet, the Income statement, the Statement of comprehensive income, the Changes in shareholders' equity, the Statement of cash flows, the Notes to the consolidated financial statements and the related comparative information; the Report on operations prepared by the Directors, on the economic results achieved and on the Intesa Sanpaolo Group's balance sheet and financial position has also been included.
In compliance with the provisions of Article 5 of Legislative Decree 38/2005, the financial statements have been drawn up in euro as functional currency.
The amounts indicated in the financial statements and in the Notes to the consolidated financial statements as well as those in the Report on operations are expressed in millions of euro, unless otherwise specified.
The financial statements are prepared with the application of the general principles set out by IAS 1 and the specific financial reporting standards endorsed by the European Commission and illustrated in Part A.2 of these Notes to the financial statements, as well as in compliance with the general assumptions set forth by the Conceptual Framework for the preparation and presentation of Financial Statements issued by IASB.
No exceptions to the application of accounting standards IAS/IFRS have been made.
The Report on operations and the Notes to the consolidated financial statements contain all information required by the IAS/IFRS, by current regulations, by the Bank of Italy, by Consob (Italian Securities and Exchange Commission) and by the European Securities and Markets Authority - ESMA, in addition to other information which is not compulsory but is nonetheless deemed to be necessary in order to give a true and fair presentation of the Group's situation.

Where the conditions pursuant to IFRS 5 had been met, the reclassified components held for sale, resulting from the balance sheet as at 31 December 2025 and the related details in the Notes to the financial statements, mainly include: (i) properties, including those subject to transfer under the agreement between Intesa Sanpaolo and COIMA, with a total value of around 0.5 billion euro, due to be completed in 2026; and (ii) non-performing loans for 1.9 billion euro gross, due to be disposed under de-risking transactions.

The financial statements forms and the notes thereto show, in addition to the figures for the reference period, the corresponding comparative figures for 2024.
The Attachments include the reconciliation statements to the balance sheet and income statement originally published in the 2024 financial statements, together with specific reconciliations between the latter financial statements and the reclassified statements included in the Report on operations accompanying these financial statements.

Contents of financial statement forms

Balance sheet and income statement

The compulsory forms of the balance sheet and income statement are made up of captions, subcaptions and further detailed information (specified as the "of which" items in the captions and subcaptions).
In the interests of completeness, it should be noted that with regard to the compulsory forms defined by the Bank of Italy, captions which do not have amounts for the reporting year and the previous year have also been shown. In the income statement revenues are indicated without sign, whereas costs are preceded by the minus sign.

Statement of comprehensive income

The statement of comprehensive income shows, starting from the net income/(loss) for the year, the income components recognised as a balancing entry in valuation reserves, net of the tax effect, in compliance with the IAS/IFRS.
Consolidated comprehensive income is represented by providing separate recognition of the income components that will not be reversed to the income statement in the future and those which, conversely, could later be reclassified to income/(loss) for the year under specific conditions. The statement also distinguishes between the portion of income pertaining to the Parent Company and that pertaining to minority interests. Similarly to the balance sheet and the income statement, with respect to the compulsory forms defined by the Bank of Italy, captions which do not present amounts for the reporting year and the previous year are in any case included. Negative amounts are preceded by the minus sign.

Changes in shareholders' equity

The statement of changes in shareholders' equity presents shareholders' equity accounts and changes which occurred in the reference year and in the previous year, broken down in share capital, reserves, reserves from retained earnings, valuation reserves and net income. Treasury shares are deducted from shareholders' equity. The table is presented by inverting the rows and the columns with respect to the same form provided for by the updating of Bank of Italy Circular 262/2005.

Statement of cash flows

The statement of cash flows registered in the reference year and in the previous year is prepared using the indirect method, on the basis of which cash flows from operating activities are represented by net income adjusted for the effects of non-cash transactions.
Cash flows are broken down into flows from operating activities, from investing activities and from financing activities.
In the form, cash flows generated in the year are indicated without sign, whereas cash flows absorbed are preceded by the minus sign.

Contents of the Notes to the consolidated financial statements

The Notes to the financial statements include the information provided for by international accounting standards and Circular 262 issued by the Bank of Italy on 22 December 2005 and subsequently amended, applicable for the preparation of these financial statements. They have been supplemented in accordance with IVASS guidance based on the updates to Regulation 7 of 13 July 2007, directly applicable also pursuant to Circular 262/2005, for the disclosure required by IFRS 17 for insurance contracts pertaining to consolidated insurance companies.

SECTION 3 – SCOPE OF CONSOLIDATION AND CONSOLIDATION METHODS

Scope of consolidation

The Consolidated financial statements include Intesa Sanpaolo and the companies that it directly and indirectly controls and consider in the scope of consolidation – as specifically set out by IAS/IFRS – also the companies operating in dissimilar sectors from the Parent Company as well as private equity investments. Similarly, structured entities are included when the requisite of effective control recurs, even if there is no stake in the company.

Companies are considered subsidiaries where Intesa Sanpaolo is exposed to, or has rights to, variable returns from its involvement with them, and has the ability to affect those returns by exercising its own power over the entity in question.

Control only exists if all of the following conditions are met:

– the power to direct the relevant activities of the subsidiary;
– the exposure, or rights, to variable returns from the involvement with the investee;
– the ability to use the power over the investee to affect the amount of the investor's returns.

Companies are considered as subject to joint control if control is directly or indirectly contractually shared by the Parent Company with one or more other parties external to the Group, or where the decisions about the relevant activities require the unanimous consent of all the parties sharing control.

Companies are considered associates, that is subject to significant influence, when Intesa Sanpaolo, directly or indirectly, holds 20% or more of the voting rights (including "potential" voting rights) or when the Parent Company – despite a lower percentage of voting rights due to specific legal agreements such as the participation of voting syndicates – has the power of participating in the determination of the financial and operating policies of the company.

Certain companies in which the Parent Company holds an equity stake exceeding 20% of voting share capital are excluded from the scope of consolidation and are classified based on the provisions of IFRS 9, since they are of limited absolute amount, or since Intesa Sanpaolo, directly or indirectly, exclusively holds rights on a portion of the rewards of the investment, and does not have access to management policies and may exercise limited governance rights to safeguard its economic interest.

Equity investments held, directly or through funds, in companies involved in the venture capital business are also excluded from the line-by-line scope of consolidation. These equity investments are included in the category of Financial assets measured at fair value through profit or loss.

Companies for which the shares have been received as pledges with voting rights exceeding 20% are not consolidated, in consideration of the substance underlying the pledge, which has the purpose of guaranteeing loans and not of exercising control and direction over financial and economic policies in order to benefit from the economic return on the shares.

Intesa Sanpaolo does not perform management and coordination activity over Risanamento S.p.A. and its subsidiaries pursuant to Article 2497 et seq. of the Italian Civil Code.

Compared to 31 December 2024, there were no new additions to the line-by-line accounting scope of consolidation, while exits concerned:

– the merger by incorporation of Epsilon SGR S.p.A. into Eurizon Capital SGR S.p.A., with legal effect from 1 March 2025 and accounting and tax effects from 1 January 2025 (being a transaction under common control, there is no impact at consolidated level);
– the removal of CIB Insurance Broker Ltd in Liquidation from the Hungarian Commercial Register from 8 April 2025;
– the sale of Intesa Sanpaolo Rent Foryou S.p.A. with legal and accounting effect from 1 June 2025;
– the full demerger of Fideuram Asset Management SGR S.p.A. in favour of Fideuram – Intesa Sanpaolo Private Banking S.p.A. and Eurizon Capital SGR S.p.A., with statutory, accounting and tax effects from 1 July 2025. The full demerger resulted in the dissolution of Fideuram Asset Management SGR S.p.A. (as this was a transaction under common control there was no impact at consolidated level);
– The merger by incorporation of First Bank S.A. into Banca Comerciala Intesa Sanpaolo Romania S.A. The transaction took legal, accounting and tax effect on 31 October 2025;
– the merger by incorporation of Intesa Sanpaolo Ireland Plc into Intesa Sanpaolo Bank Luxembourg S.A. The transaction took legal and tax effect on 17 November 2025, with accounting effect on 1 January 2025;
– the merger by incorporation of Eurizon Capital S.A. into Eurizon Capital SGR S.p.A. The transaction took legal, accounting and tax effect on 31 December 2025;
– the change of the consolidation method of Qingdao Yicai Fund Distribution CO. LTD. from Line-by-Line to Equity, as it fell below the materiality threshold, effective on 1 October 2025.

Finally, for the sake of completeness, it should be noted that Private Equity International S.A. – previously a direct subsidiary of Intesa Sanpaolo S.p.A. – is now held through Intesa Sanpaolo Holding International S.A.

The following table lists the investments in exclusively controlled companies at 31 December 2025.

1. Exclusively controlled companies

	Companies	Place of business	Registered office	Type of relation-ship (a)	INVESTMENT		Votes available (b)
					Direct ownership	% held	
1	Acantus S.p.A.	Milan	Milan	1	Intesa Sanpaolo S.p.A.	80.00	
	Capital Eur 1,000,000						
2	Alpian S.A.	Geneva	Geneva	1	Fideuram Intesa Sanpaolo Private Banking S.p.A.	62.88	
	Capital Chf 56,719,365.19				REYL & Cie S.A.	7.94	
						70.82	
3	Alpian Technologies LTD (c)	London	London	1	Alpian S.A.	100.00	
	Capital Gbp 100,000						
4	Alpian Technologies S.r.l. (c)	Rome	Rome	1	Alpian Technologies LTD	100.00	
	Capital Eur 10,000						
5	Anti Financial Crime Digital HUB S.c.a.r.l. (c)	Turin	Turin	1	Intesa Sanpaolo S.p.A.	60.00	
	Capital Eur 100,000				Intesa Sanpaolo Innovation Center S.p.A.	10.00	
						70.00	
6	Banca Comerciala Eximbank S.A.	Chisinau	Chisinau	1	Intesa Sanpaolo S.p.A.	100.00	
	Capital Mdl 1,250,000,000						
7	Banca Comerciala Intesa Sanpaolo Romania S.A.	Bucarest	Bucarest	1	Intesa Sanpaolo S.p.A.	99.84	
	Capital Ron 2,167,530,235				Intesa Sanpaolo Holding International S.A.	0.15	
						99.99	
8	Banca Intesa AD Beograd	Novi Beograd	Beograd	1	Intesa Sanpaolo Holding International S.A.	100.00	
	Capital Rsd 21,315,900,000						
9	Bank of Alexandria S.A.E.	Cairo	Cairo	1	Intesa Sanpaolo S.p.A.	80.00	
	Capital Egp 5,000,000,000						
10	Banka Intesa Sanpaolo d.d. (d)	Koper	Koper	1	Intesa Sanpaolo S.p.A.	48.13	
	Capital Eur 22,173,218.16				Privredna Banka Zagreb d.d.	51.00	
						99.13	
11	CBP Quilvest PE Fund GP S.a r.l. (c)	Luxembourg	Luxembourg	1	Intesa Sanpaolo Wealth Management (Luxembourg) S.A.	100.00	
	Capital Usd 20,000						
12	Centai Institute S.p.A. (c)	Turin	Turin	2	Intesa Sanpaolo S.p.A.	100.00	
	Capital Eur 50,000						
13	Cib Bank Ltd.	Budapest	Budapest	1	Intesa Sanpaolo S.p.A.	100.00	
	Capital Huf 50,000,000,003						
14	CIB Leasing Ltd.	Budapest	Budapest	1	Cib Bank Ltd.	100.00	
	Capital Huf 53,000,000						
15	CIB Rent Operative Leasing Ltd.	Budapest	Budapest	1	Cib Bank Ltd.	100.00	
	Capital Huf 5,000,000						
16	Colline e oltre S.p.A. (c)	Pavia	Pavia	1	Intesa Sanpaolo S.p.A.	51.00	
	Capital Eur 100,000						
17	Consorzio Studi e ricerche fiscali Gruppo Intesa Sanpaolo (c)	Rome	Rome	1	Intesa Sanpaolo S.p.A.	80.00	
	Capital Eur 258,228.45				Intesa Sanpaolo Assicurazioni S.p.A.	7.50	
					Fideuram Intesa Sanpaolo Private Banking S.p.A.	7.50	
					Eurizon Capital SGR S.p.A.	5.00	
						100.00	
18	Duomo Funding Plc (e)	Dublin	Dublin	2	Intesa Sanpaolo S.p.A.	-	
19	Eurizon Asset Management Croatia D.O.O.	Zagreb	Zagreb	1	Eurizon Asset Management Slovakia Sprav. Spol. A.S.	100.00	
	Capital Eur 663,614						
20	Eurizon Asset Management Hungary Ltd.	Budapest	Budapest	1	Eurizon Asset Management Slovakia Sprav. Spol. A.S.	100.00	
	Capital Huf 600,000,000						
21	Eurizon Asset Management Slovakia Sprav. Spol. A.S.	Bratislava	Bratislava	1	Eurizon Capital SGR S.p.A.	100.00	
	Capital Eur 4,093,560						
22	Eurizon Capital Asia Limited (c)	Hong Kong	Hong Kong	1	Eurizon Capital SGR S.p.A.	100.00	
	Capital Hkd 95,000,000						
23	Eurizon Capital Real Asset SGR S.p.A.	Milan	Milan	1	Intesa Sanpaolo Assicurazioni S.p.A.	40.01	24,50 (*)
	Capital Eur 4,166,667				Eurizon Capital SGR S.p.A.	19.98	51,00 (*)
						59.99	75,50 (*)
24	Eurizon Capital SGR S.p.A.	Milan	Milan	1	Intesa Sanpaolo S.p.A.	100.00	
	Capital Eur 118,200,000						

	Companies	Place of business	Registered office	Type of relation-ship (a)	INVESTMENT Direct ownership	% held	Votes available (b)
25	Eurizon Slj Capital Ltd. Capital Gbp 2,335,666.67	London	London	1	Eurizon Capital SGR S.p.A.	85.00	
26	Exelia S.r.l. (c) Capital Ron 8,252,600	Brasov	Brasov	1	Intesa Sanpaolo Holding International S.A.	100.00	
27	Exetra S.p.A. (f) Capital Eur 158,000	Milan	Milan	1	Intesa Sanpaolo S.p.A.	85.00	
28	Fideuram Intesa Sanpaolo Private Banking S.p.A. Capital Eur 300,000,000	Rome	Turin	1	Intesa Sanpaolo S.p.A.	100.00	
29	Fideuram Asset Management (Ireland) Dac Capital Eur 1,000,000	Dublin	Dublin	1	Fideuram Intesa Sanpaolo Private Banking S.p.A.	100.00	
30	Fideuram Asset Management Uk Ltd (c) Capital Gbp 1,000,000	London	London	1	Fideuram Asset Management (Ireland) Dac	100.00	
31	Fideuram Vita S.p.A. Capital Eur 406,946,836	Rome	Rome	1	Intesa Sanpaolo S.p.A. Fideuram Intesa Sanpaolo Private Banking S.p.A. Intesa Sanpaolo Assicurazioni S.p.A.	77.51 19.36 3.13 100.00	
32	Fondo Sviluppo ecosistemi di Innovazione (c) Capital Eur 26,000,000	Turin	Turin	1	Intesa Sanpaolo Innovation Center S.p.A.	100.00	
33	Gap Manco Sarl (c) Capital Eur 12,500	Luxembourg	Luxembourg	1	REYL & Cie S.A.	100.00	
34	Iberia Distressed Assets Manager Sarl (c) Capital Eur 12,500	Luxembourg	Luxembourg	1	REYL Finance (MEA) Ltd.	100.00	
35	IMI Capital Market USA Corp. Capital Usd 5,000	New York	New York	1	IMI Investments S.A.	100.00	
36	IMI Investments S.A. Capital Eur 21,660,000	Luxembourg	Luxembourg	1	Intesa Sanpaolo S.p.A.	100.00	
37	IMMIT - Immobili Italiani S.r.l. Capital Eur 185,680,000	Bergamo	Bergamo	1	Intesa Sanpaolo S.p.A.	100.00	
38	Immobiliare Cascina Rubina S.r.l. (g) Capital Eur 10,000	Milan	Milan	1	Risanamento S.p.A.	100.00	
39	InSalute Servizi S.p.A. (h) Capital Eur 909,091	Turin	Turin	1	Intesa Sanpaolo Assicurazioni S.p.A.	65.00	
40	Intesa Invest A.D. Beograd (c) Capital Rsd 236,975,800	Beograd	Beograd	1	Banca Intesa AD Beograd	100.00	
41	Intesa Leasing Joint-Stock Company Capital Rub 3,000,000	Moscow	Moscow	1	Joint-Stock Company Banca Intesa	100.00	
42	Intesa Leasing d.o.o. Beograd Capital Rsd 960,374,301	Beograd	Beograd	1	Banca Intesa AD Beograd	100.00	
43	Intesa Sanpaolo (Qingdao) Service Company Ltd (c) Capital Cny 80,000,000	Qingdao	Qingdao	1	Intesa Sanpaolo S.p.A.	100.00	
44	Intesa Sanpaolo Assicurazioni S.p.A. Capital Eur 320,422,508.53	Milan	Turin	1	Intesa Sanpaolo S.p.A.	100.00	
45	Intesa Sanpaolo Bank Albania Sh.A. Capital All 5,562,517,674	Tirana	Tirana	1	Intesa Sanpaolo S.p.A.	100.00	
46	Intesa Sanpaolo Bank Luxembourg S.A. Capital Eur 1,389,370,555,36	Luxembourg	Luxembourg	1	Intesa Sanpaolo Holding International S.A.	100.00	
47	Intesa Sanpaolo Banka d.d. Bosna I Hercegovina Capital Bam 44,782,000	Sarajevo	Sarajevo	1	Privredna Banka Zagreb d.d.	99.99	100,00 (**)
48	Intesa Sanpaolo Brasil S.A. - Banco Multiplo Capital Brl 1,058,136,599.62	São Paulo	São Paulo	1	Intesa Sanpaolo S.p.A. Intesa Sanpaolo Holding International S.A.	99.90 0.10 100.00	
49	Intesa Sanpaolo Expo Institutional Contact S.r.l. (c) Capital Eur 50,000	Milan	Milan	1	Intesa Sanpaolo S.p.A.	100.00	
50	Intesa Sanpaolo Funding LLC Capital Usd 25,000	New York	Wilmington Delaware	1	Intesa Sanpaolo S.p.A.	100.00	

	Companies	Place of business	Registered office	Type of relation-ship (a)	INVESTMENT		Votes available (b)
					Direct ownership	% held	
51	Intesa Sanpaolo Harbourmaster III S.A.	Luxembourg	Luxembourg	1	Intesa Sanpaolo Holding International S.A.	100.00	
	Capital Eur 5,500,000						
52	Intesa Sanpaolo Highline S.r.l. (c)	Turin	Turin	1	Intesa Sanpaolo S.p.A.	100.00	
	Capital Eur 500,000						
53	Intesa Sanpaolo Holding International S.A.	Luxembourg	Luxembourg	1	Intesa Sanpaolo S.p.A.	100.00	
	Capital Eur 2,157,957,270						
54	Intesa Sanpaolo House Luxembourg S.A.	Luxembourg	Luxembourg	1	Intesa Sanpaolo Holding International S.A.	100.00	
	Capital Eur 24,990,317						
55	Intesa Sanpaolo Imi Securities Corp.	New York	New York	1	IMI Capital Market USA Corp.	100.00	
	Capital Usd 44,500,000						
56	Intesa Sanpaolo Innovation Center S.p.A.	Turin	Turin	1	Intesa Sanpaolo S.p.A.	99.99	
	Capital Eur 9,254,940				Intesa Sanpaolo Assicurazioni S.p.A.	0.01	
						100.00	
57	Intesa Sanpaolo Insurance Agency S.p.A.	Turin	Turin	1	Intesa Sanpaolo Assicurazioni S.p.A.	100.00	
	Capital Eur 500,000						
58	Intesa Sanpaolo International Value Services d.o.o.	Zagreb	Zagreb	1	Intesa Sanpaolo Holding International S.A.	100.00	
	Capital Eur 13,270						
59	Intesa Sanpaolo Private Argentina S.A. (c)	Buenos Aires	Buenos Aires	1	REYL & Cie S.A.	95.01	
	Capital Ars 76,010,756				Fideuram Intesa Sanpaolo Private Banking S.p.A.	4.99	
						100.00	
60	Intesa Sanpaolo Private Banking S.p.A.	Milan	Milan	1	Fideuram Intesa Sanpaolo Private Banking S.p.A.	100.00	
	Capital Eur 117,497,424						
61	Intesa Sanpaolo Protezione S.p.A.	Turin	Turin	1	Intesa Sanpaolo Assicurazioni S.p.A.	100.00	
	Capital Eur 27,912,258						
62	Intesa Sanpaolo RE.O.CO. S.p.A.	Milan	Milan	1	Intesa Sanpaolo S.p.A.	100.00	
	Capital Eur 1,000,000						
63	Intesa Sanpaolo Servicos e Emprendimentos Ltda. em Liquidacao (c)	São Paulo	São Paulo	1	Intesa Sanpaolo S.p.A.	100.00	
	Capital Brl 3,283,320						
64	Intesa Sanpaolo Servitia S.A.	Luxembourg	Luxembourg	1	Intesa Sanpaolo Holding International S.A.	100.00	
	Capital Eur 1,500,000						
65	Intesa Sanpaolo Wealth Management S.A.	Luxembourg	Luxembourg	1	Fideuram Intesa Sanpaolo Private Banking S.p.A.	100.00	
	Capital Eur 123,813,000						
66	ISP CB Ipotecario S.r.l. (c)	Milan	Milan	1	Intesa Sanpaolo S.p.A.	60.00	
	Capital Eur 120,000						
67	ISP OBG S.r.l. (c)	Milan	Milan	1	Intesa Sanpaolo S.p.A.	60.00	
	Capital Eur 42,038						
68	Isybank S.p.A.	Milan	Milan	1	Intesa Sanpaolo S.p.A.	100.00	
	Capital Eur 31,000,000						
69	Joint-Stock Company Banca Intesa	Moscow	Moscow	1	Intesa Sanpaolo S.p.A.	46.98	
	Capital Rub 10,820,180,800				Intesa Sanpaolo Holding International S.A.	53.02	
						100.00	
70	MSG Comparto Secondo S.r.l. (g)	Milan	Milan	1	Risanamento S.p.A.	100.00	
	Capital Eur 50,000						
71	Neva II (c)	Turin	Turin	1	Intesa Sanpaolo S.p.A.	83.37	
	Capital Eur 191,919,192				Neva S.G.R. S.p.A. (c)	1.00	
						84.37	

	Companies	Place of business	Registered office	Type of relation-ship (a)	INVESTMENT		Votes available (b)
					Direct ownership	% held	
72	Neva II Italia (c)	Turin	Turin	1	Intesa Sanpaolo S.p.A.	94.29	
	Capital Eur 42,424,242				Neva S.G.R. S.p.A. (c)	1.00	
						95.29	
73	Neva S.G.R. S.p.A. (c)	Turin	Turin	1	Intesa Sanpaolo Innovation Center S.p.A.	100.00	
	Capital Eur 2,000,000						
74	PBZ Card d.o.o.	Zagreb	Zagreb	1	Privredna Banka Zagreb d.d.	100.00	
	Capital Eur 5,763,110						
75	PBZ Leasing d.o.o.	Zagreb	Zagreb	1	Privredna Banka Zagreb d.d.	100.00	
	Capital Eur 1,990,840						
76	Porta Nuova Gioia (i)	Milan	Milan	1	Intesa Sanpaolo S.p.A.	90.00	
	Capital Eur 50,472,500						
77	Pravex Bank Joint-Stock Company	Kyiv	Kyiv	1	Intesa Sanpaolo S.p.A.	100.00	
	Capital Uah 1,254,155,348.64						
78	Prestitalia S.p.A.	Bergamo	Bergamo	1	Intesa Sanpaolo S.p.A.	100.00	
	Capital Eur 205,722,715						
79	Private Equity International S.A.	Luxembourg	Luxembourg	1	Intesa Sanpaolo Holding International S.A.	100.00	
	Capital Eur 101,000,000						
80	Privredna Banka Zagreb d.d.	Zagreb	Zagreb	1	Intesa Sanpaolo Holding International S.A.	100.00	
	Capital Eur 243,954,711						
81	Qingdao Yicai Fund Distribution Co. Ltd.	Qingdao	Qingdao	1	Intesa Sanpaolo S.p.A.	100.00	
	Capital Cny 691,000,000						
82	RB Participations S.A.	Geneva	Geneva	1	Fideuram Intesa Sanpaolo Private Banking S.p.A.	100.00	
	Capital Chf 100,000						
83	Recovery Property Utilisation and Services Zrt.	Budapest	Budapest	1	Cib Bank Ltd.	100.00	
	Capital Huf 20,000,000						
84	REYL & Cie (Malta) Holding Ltd. (c)	La Valletta	La Valletta	1	REYL & Cie S.A.	100.00	
	Capital Eur 730,000						
85	REYL & Cie (Malta) Ltd. (c)	La Valletta	La Valletta	1	REYL & Cie (Malta) Holding Ltd.	100.00	
	Capital Eur 930,000						
86	REYL & Cie S.A. (j)	Geneva	Geneva	1	Fideuram Intesa Sanpaolo Private Banking S.p.A.	46.00	
	Capital Chf 31,500,001				RB Participations S.A.	30.00	
						76.00	
87	REYL & CO (UK) Llp. (c)	London	London	1	REYL & CO Holdings Ltd.	100.00	
	Capital Gbp 2,500,000						
88	REYL & CO Holdings Ltd. (c)	London	London	1	REYL & Cie S.A.	100.00	
	Capital Gbp 3,700,000						
89	REYL Finance (MEA) Ltd.	Dubai	Dubai	1	REYL & Cie S.A.	100.00	
	Capital Usd 2,875,000						
90	REYL Overseas AG (c)	Zurich	Zurich	1	REYL & Cie S.A.	100.00	
	Capital Chf 2,000,000						
91	REYL Private Office Luxembourg Sarl (c)	Luxembourg	Luxembourg	1	REYL & Cie S.A.	100.00	
	Capital Eur 50,000						
92	REYL Singapore Holding Pte. Ltd. (c)	Singapore	Singapore	1	REYL & Cie S.A.	100.00	
	Capital Sgd 901						
93	REYL Singapore Pte. Ltd. (c)	Singapore	Singapore	1	REYL & Cie S.A.	100.00	
	Capital Sgd 380,000						
94	RI Ambiente S.r.l. (g)	Milan	Milan	1	Risanamento S.p.A.	100.00	
	Capital Eur 20,000						
95	RI Immobiliare Due S.r.l. (g)	Milan	Milan	1	Risanamento S.p.A.	100.00	
	Capital Eur 20,000						
96	RI Immobiliare Uno S.r.l. (g)	Milan	Milan	1	Risanamento S.p.A.	100.00	
	Capital Eur 20,000						
97	RI Infrastrutture S.r.l. (g)	Milan	Milan	1	Risanamento S.p.A.	100.00	
	Capital Eur 20,000						
98	RI Rental S.r.l. (g)	Milan	Milan	1	Risanamento S.p.A.	100.00	
	Capital Eur 10,000						

	Companies	Place of business	Registered office	Type of relation-ship (a)	INVESTMENT		Votes available (b)
					Direct ownership	% held	
99	Risanamento S.p.A. (g) Capital Eur 43,411,382.39	Milan	Milan	1	Intesa Sanpaolo S.p.A.	48.88	
100	Romulus Funding Corporation (e)	New York	New York	2	Intesa Sanpaolo S.p.A.	-	
101	Società Italiana di Revisione e Fiduciaria – S.I.RE.F. S.p.A. Capital Eur 2,600,000	Milan	Milan	1	Fideuram Intesa Sanpaolo Private Banking S.p.A.	100.00	
102	SRM Studi e Ricerche per il Mezzogiorno (c) Capital Eur 90,000	Naples	Naples	1	Intesa Sanpaolo S.p.A.	60.00	14,29 (*)
103	UBI Finance S.r.l. (c) Capital Eur 10,000	Milan	Milan	1	Intesa Sanpaolo S.p.A.	60.00	
104	Vseobecna Uverova Banka A.S. Capital Eur 510,819,063.81	Bratislava	Bratislava	1	Intesa Sanpaolo Holding International S.A.	100.00	
105	Vub Generali Dochodkova Spravcovska Spolocnost A.S. (k) Capital Eur 10,090,976	Bratislava	Bratislava	1	Vseobecna Uverova Banka A.S.	55.26	
106	Vub Operating Leasing Capital Eur 25,000	Bratislava	Bratislava	1	Vseobecna Uverova Banka A.S.	100.00	

(a) Type of relationship:
1 - majority of voting rights in the shareholders' meeting;
2 - other forms of control.

(b) Where different from the % portion, the availability of the votes in the Ordinary Shareholders' Meeting is indicated, distinguishing between the effective (*) and potential (**) voting rights, where applicable.

(c) Company consolidated using the equity method given its limited materiality.

(d) Minority shareholders are subject to a legal commitment to purchase 0.7% of share capital.

(e) Company controlled pursuant to IFRS 10, although the Group does not hold any equity stake in the company capital.

(f) In the event of liquidation of the equity investment, the minority shareholder has the right to sell, and Intesa Sanpaolo is required to purchase, the entire minority investment.

(g) Company not subject to the management and coordination activities pursuant to Article 2497 and following of the Italian Civil Code.

(h) Please note that there are put and call option agreements on 35.00% of share capital held by minority shareholders.

(i) A closed-end alternative real estate investment fund managed by COIMA SGR S.p.A.

(j) Please note that there are put and call option agreements on 24% of share capital held by minority shareholders.

(k) Please note that there are put and call option agreements on 44.74% of share capital held by minority shareholders.

2. Significant evaluations and assumptions in determining the scope of consolidation

As stated above, companies are considered subsidiaries where Intesa Sanpaolo is exposed to, or has rights to, variable returns from its involvement with them, and has the ability to affect those returns by exercising its own power over the entity in question.
Control only exists if all of the following conditions are met:
– the power to direct the relevant activities of the subsidiary;
– the exposure, or rights, to variable returns from the involvement with the investee;
– the ability to use the power over the investee to affect the amount of the investor's returns.

In particular, the Group considers the following factors in evaluating the existence of control:
– the purpose and the structure of the investee in order to identify its aims and relevant activities, or the activities that significantly affect the investee's returns, and how those activities are governed;
– power, in order to understand whether the Group has the contractual right to manage the relevant activities;
– the exposure to variable returns from the investee in order to evaluate whether the return recognised by the Group is subject to variations depending on the investee's returns.

Furthermore, in order to evaluate the existence of control, potential principal-agent relationships are taken into consideration.
In order to evaluate whether the investee is acting as a principal or an agent, the Group takes account of the following factors:
– the decision-making power on the relevant activities of the subsidiary;
– the rights of other parties;
– the payments to which the Group is entitled;
– the Group's exposure to variable returns resulting from any investment in the investee.

IFRS 10 identifies relevant activities as activities of the investee that significantly affect the investee's returns.
In general terms, when the relevant activities are managed through voting rights, the following factors determine evidence of control:
– direct ownership, or indirect ownership through its subsidiaries, of more than half the voting rights of an entity, unless in exceptional circumstances it can be clearly demonstrated that such ownership does not constitute control;
– ownership of half, or less, of the votes which can be cast at the shareholders' meeting, and the practical ability unilaterally to govern the relevant activities through:
  - the control of more than half the voting rights as enshrined in an agreement with other investors;
  - the power to determine the financial and operational policies of the entity, as conferred by the Articles of Association or by contract;
  - the power to nominate or remove the majority of the members of the Board of Directors or of the equivalent corporate governance body;
  - the power to cast the majority of the votes at meetings of the Board of Directors or of the equivalent corporate governance body.

In order to exercise power, it is necessary for the rights that the Group has over the investee to be material; to be material, the Group must have the ability to use its rights when decisions relating to relevant activities are taken.
The existence and the effect of potential voting rights, where material, are taken into consideration in evaluating whether power exists to shape the managerial and financial policies of another entity.
Sometimes the Group has "de facto" control over certain entities when it possesses rights to determine unilaterally the relevant activities of the investee, even though it does not have the majority of the voting rights.
On the contrary, cases may emerge where the Group, though holding more than half of the voting rights, does not control the investee since, consequently to agreements with other investors, the exposure to variable returns from the involvement with the investees is not considered significant.
Subsidiaries can also include "structured entities" in which the voting rights are not the dominant factor in deciding who controls the entity; this includes special purpose vehicles (SPEs/SPVs) and investment funds. Structured entities are considered to be controlled where:
– the Group has powers enshrined in contractual rights allowing it to govern the relevant activities; and
– the Group is exposed to the variable returns deriving from such activities.

3. Investments in subsidiaries with significant minority interests

3.1 Minority interests, minority voting rights and dividends distributed to minorities

	Companies	Minority interests %	Minority voting rights % (1)	Dividends distributed to minority shareholders
1	Acantus S.p.A.	20.00	20.00	-
2	Alpian S.A.	29.18	29.18	-
3	Banca Comerciala Intesa Sanpaolo Romania S.A.	0.01	0.01	-
4	Bank of Alexandria	20.00	20.00	21
5	Banka Intesa Sanpaolo D.D.	0.87	0.87	-
6	Eurizon Capital Real Asset SGR S.p.A.	40.01	24.50	-
7	Eurizon SLJ Capital Limited	15.00	15.00	1
8	Exetra S.p.A.	15.00	15.00	-
9	Insalute Servizi S.p.A.	35.00	35.00	-
10	Intesa Sanpaolo Banka D.D. Bosna I Hercegovina	0.01	-	-
11	Porta Nuova Gioia	10.00	10.00	1
12	Reyl & Cie S.A.	24.00	24.00	-
13	Risanamento S.p.A.	51.12	51.12	-
14	VUB Generali Dochodkova Spravcovska Spolocnost A.S.	44.74	44.74	-

(1) Available voting rights at Ordinary Shareholders' Meeting.

3.2 Investments in companies with significant minority interests: financial highlights

(millions of euro)

	Companies	Total assets	Cash and cash equivalents	Financial assets	Property, equipment and intangible assets	Financial liabilities	Shareholders' equity	Interest margin	Net interest and other banking income	Operating expenses	Income (loss) before tax from continuing operations	Income (loss) after tax from continuing operations	Income (loss) after tax from discontinued operations	Net income (loss) (1)	Other comprehensive income (net of tax) (2)	Consolidated comprehensive income (3) = (1) + (2)
1	Bank of Alexandria	4,389	59	4,132	116	3,363	634	399	455	-140	297	188	-	188	5	193

4. Significant restrictions

In terms of significant restrictions, it is noted that the Intesa Sanpaolo Group is subject to the supervisory rules provided for by Directive 2013/36/EU (CRD) and Regulation (EU) 575/2013 (CRR), as subsequently amended, and controls financial institutions subject to the same or similar regulations aimed at maintaining an adequate level of regulatory capital in relation to risks taken; therefore, the ability of subsidiary banks or financial institutions to distribute capital or dividends is dependent on the fulfilment of the regulatory thresholds set in those regulations.

In view of the above, with regard to the disclosures to be made in accordance with IFRS 12, the limitations currently set by the Russian regulations essentially impose restrictions on repayments and payments to parties resident in unfriendly countries, which also affect the subsidiary Banca Intesa Russia. In this regard, it should also be noted that the current legal restrictions on transferring monetary resources beyond the country's borders do not prejudice in any way the ownership of the amounts (due to the creditor banks), nor do they constitute an obstacle to maintaining control over the Russian subsidiary. For more information, see the "Section 5 – Other aspects – Risks, uncertainties and impacts of the Russian/Ukrainian crisis" below.

Lastly, within the Group, there are insurance companies subject to the Solvency Capital Requirements of insurance companies established by the Solvency II legislation.

5. Other information

In preparing the Intesa Sanpaolo consolidated financial statements, the financial statements of all subsidiaries have the same financial year-end, except for that reported below for the Ukrainian subsidiary Pravex Bank and Risanamento in the following paragraph on Consolidation methods.

Consolidation methods

Full consolidation

This method involves the “line by line” aggregation of the individual amounts reported in the balance sheets and income statements of the subsidiary companies concerned. Following the allocation to minority shareholders of their interests, in a specific caption, in equity and in the result for the period, the residual value is eliminated against the book value of the subsidiaries concerned.
Any positive differences arising on consolidation, after the allocation to the assets and liabilities of the consolidated subsidiary, are recorded under Intangible assets as goodwill or other intangible assets. Negative differences are recognised in the income statement.
Assets, liabilities, income and expenses between consolidated companies are totally eliminated.
Business combinations must be accounted for using the "acquisition method" in accordance with IFRS 3, whereby identifiable assets acquired or liabilities assumed (including contingent liabilities) are recognised at their fair value at the acquisition date. Moreover, for each business combination, any minority interest in the acquired company can be recognised at fair value or in proportion to the minority investment in the net identifiable assets of the acquired company. Any excess of the consideration transferred (being the fair value of the assets sold, the liabilities incurred and the equity instruments issued) over the fair value recognition of minority interests with respect to the fair value of the assets acquired and the liabilities assumed is recognised as goodwill. If the consideration is lower, the difference is taken to the income statement.
The "acquisition method" is applied starting from the acquisition date, that is from the moment in which control of the acquired company is obtained. Therefore, the economic results of a subsidiary acquired in the reference period are included in the Consolidated financial statements starting from the acquisition date. Likewise, economic results of a subsidiary sold are included in the Consolidated financial statements until the date in which control ceased. The difference between sale price and book value at the date of disposal (including foreign exchange differences recorded in shareholders’ equity on consolidation, over time) is accounted for in the income statement.
Where necessary – and apart from entirely marginal cases – the financial statements of consolidated companies which are drawn up using different accounting criteria are restated to be compliant with the standards used by the Group.

With regard to the Ukrainian subsidiary Pravex Bank, given the continuing critical situation in the city of Kyiv (where the subsidiary is headquartered) it was decided – with a view to containing “operational” risk – that it was best to consolidate the Ukrainian bank’s figures by means of the accounting values as at 30 September 2025. Specifically, for the financial statements as at 31 December 2025, the balance sheet and income statement results of Pravex were included based on a consolidation package, drawn up in compliance with the IAS/IFRSs, as set out in the Group Accounting Policies, related to 30 September 2025, using the exchange rate as at 31 December 2025 for conversion into Euro.
The decision to use the data as at 30 September 2025 for the line-by-line consolidation of Pravex, also taken in light of the slight materiality of the subsidiary, and motivated by objective operational restrictions, is also based on the indications in IFRS 10, though for specific cases[353].

With regard to the subsidiary Risanamento, over which Intesa Sanpaolo does not exercise the management and coordination envisaged in Article 2497 and following of the Italian Civil Code, by the date of approval of Intesa Sanpaolo’s financial statements there had been no board meetings of the company approving the related accounts as at 31 December 2025, and it was therefore not possible to include them in Intesa Sanpaolo’s consolidated financial statements, in accordance with the Group’s policy which stipulates that the income statements and balance sheet data of the subsidiaries must have been approved beforehand by their respective Boards of Directors in order to be included in the Group’s consolidated financial statements. As a result the data of the Risanamento Group as at 30 September 2025 were used as the contribution to the consolidated financial statements of Intesa Sanpaolo as at 31 December 2025.

Measurement using the equity method

Associates and companies subject to joint control are consolidated with the equity method. The equity method requires the initial recognition of the equity investment at cost and its subsequent value adjustment based on the stake in the shareholders’ equity of the company.
Any difference between the value of the equity investment and the shareholders’ equity of the company involved is recorded in the book value of the company.
The valuation of the portion of shareholders’ equity does not consider any potential voting rights.
The portion of the company’s results for the period pertaining to the Group is recorded in a specific caption of the consolidated income statement.
If there is evidence of impairment, the recoverable amount of the investment is estimated, considering the present value of the future cash flows which may be generated by the investment, including the final disposal value. If the recoverable amount is lower than the carrying value, the difference is recorded in the income statement.
For the consolidation of the companies subject to joint control and investments in associates, the most recent approved (annual or interim) figures have been used. In certain marginal cases, the companies do not apply IAS/IFRS and, therefore, for such

[353] IFRS 10 states that, where it is not possible to use the subsidiary’s data updated to the same reporting date as the consolidated financial statements, it is permitted to use the previous accounting data, provided that previous date is no more than 3 months prior. For more details, see the following paragraphs of IFRS 10: IFRS 10.B92 “The financial statements of the parent and its subsidiaries used in the preparation of the consolidated financial statements shall have the same reporting date. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so”; IFRS 10.B93 “If it is impracticable to do so, the parent shall consolidate the financial information of the subsidiary using the most recent financial statements of the subsidiary adjusted for the effects of significant transactions or events that occur between the date of those financial statements and the date of the consolidated financial statements. In any case, the difference between the date of the subsidiary’s financial statements and that of the consolidated financial statements shall be no more than three months, and the length of the reporting periods and any difference between the dates of the financial statements shall be the same from period to period.”

companies it was verified that the adoption of IAS/IFRS would not have produced significant effects on the Intesa Sanpaolo Group's Consolidated financial statements.

Conversion of financial statements in currencies other than the euro

The financial statements of non-Eurozone companies are translated into euro by applying the spot exchange rate at the year end to assets and liabilities in the Balance sheet, and the average exchange rate for the year to Income statement captions. Foreign exchange differences from the conversion of the financial statements of such companies, deriving from the application of different foreign exchange rates to assets and liabilities and the income statement, are recorded in Valuation reserves under shareholders' equity. Foreign exchange differences on the shareholders' equity of the subsidiaries are also recorded in Valuation reserves.

All foreign exchange differences are reversed to the income statement of the year in which the foreign operation is sold.

SECTION 4 – SIGNIFICANT EVENTS AFTER THE REPORTING DATE

Below we refer to the main events occurring after the reporting date. For the related details, please refer to that set out in the Report on operations to these Consolidated Financial Statements, in the section "2025 in brief".

On 16 January 2026 Fideuram - Intesa Sanpaolo Private Banking took over 21% of the shares of Reyl & Cie S.A. held by the minority shareholder Reyl Holding S.A., while on 30 January. it purchased the remaining 3% held by three natural person shareholders. As a result, the direct percentage stake of Fideuram - Intesa Sanpaolo Private Banking increased from 46% to 70%, in addition to the 30% indirect holding through the wholly-owned subsidiary RB Participations S.A. Having obtained full control over the Swiss bank, the Intesa Sanpaolo Group intends to further strengthen and accelerate the development of its operations in Switzerland.

On 28 January 2026, Intesa Sanpaolo, together with the National Interbank Deposit Guarantee Fund, Banca Monte dei Paschi di Siena, Banco BPM, BPER Banca, UniCredit and Banca Progetto under extraordinary administration, executed a new binding term sheet for the completion of the restructuring transaction of Banca Progetto, which is classified as preventive in nature pursuant to Article 35 of the Articles of Association of the National Interbank Deposit Guarantee Fund.

With regard to the changes introduced by Law No. 199 of 30 December 2025 (2026 Budget Act) to the rules governing the "One-off tax calculated on the increase in net interest income" established by Article 26 of Decree Law No. 104 of 10 August 2023, converted, with amendments, by Law No. 136 of 9 October 2023, on 2 February 2026, the Board of Directors of Intesa Sanpaolo resolved (i) to exercise the option to pay the one-off levy at a rate of 27.5% of the "Net income reserve pursuant to Law 136 of 9/10/2023", by allocating the corresponding amount to the Share premium reserve, with an offsetting entry in "Current tax liabilities" in the Financial Statements as at 31 December 2025, and (ii) to propose to the Shareholders' Meeting approving the 2025 Financial Statements the approval of that allocation to the Share premium reserve, together with the allocation – effective from the payment of the aforementioned levy in the income tax return for the period in relation to which it is applied – of the entire amount recorded in the "Net income reserve pursuant to Law 136 of 9/10/2023" to the Extraordinary Reserve, with consequent elimination of the "Net income reserve pursuant to Law 136 of 9/10/2023", because it is freed from any obligations. Under instruction from the Parent Company, similar resolutions regarding the exercise of the option to pay the one-off levy were also adopted by the Boards of Directors of the subsidiary banks concerned by the measure: Fideuram - Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Banking and Isybank.

On 2 February 2026, on approval of the separate and consolidated results as at 31 December 2025, the Board of Directors of Intesa Sanpaolo:

- resolved to submit a proposal to the Ordinary Shareholders' Meeting of 30 April 2026 for (i) total dividends of 6.5 billion euro, of which 3.2 billion euro in interim dividends paid in November 2025 and 3.3 billion euro as proposed remaining dividends for 2025 to be paid in May 2026, and (ii) a purchase of own shares for annulment (buyback) for 2.3 billion euro, already authorised by the ECB, to be launched in July 2026, subject to approval of the Shareholders' Meeting;
- approved the 2026-2029 Business Plan, which was presented to the financial community on the same day;
- in order to enhance the Group employees' role as key enablers in the achievement of the Plan's objectives, also resolved to propose at the Shareholders' Meeting of 30 April 2026 (i) capital increases to serve two 2026-2029 long-term incentive plans, based on financial instruments of Intesa Sanpaolo S.p.A. and reserved for all Group employees, as well as (ii) an update of the maximum number of shares as provided in the delegation of powers granted to the Board of Directors on 29 April 2022 by the Extraordinary Shareholders' Meeting to carry out a share capital increase without payment to serve the 2022-2025 Performance Share Plan long-term incentive plan based on financial instruments.

SECTION 5 - OTHER ASPECTS

RISKS, UNCERTAINTIES AND IMPACTS OF THE RUSSIAN/UKRAINIAN CRISIS

The extremely serious situation arising following the outbreak of the conflict between Russia and Ukraine on 24 February 2022 was immediately closely monitored and assessed by Intesa Sanpaolo, also in light of the related guidance provided by the regulators, given that the Group has:

– a direct presence with two subsidiaries in the warring countries, Pravex Bank Joint-Stock Company (Pravex) and Joint-Stock Company Banca Intesa (Banca Intesa Russia), and is therefore particularly exposed to the consequences of the conflict;
– cross-border exposures stemming from its corporate and investment banking activities.

In its lending activities, the IMI CIB Division had over time financed counterparties resident in the Russian Federation. More than two-thirds of the loans to Russian customers disbursed before the conflict involved leading industrial groups, which have established commercial relationships with customers belonging to the main international supply chains, a significant amount of which derives from commodity exports. At the outbreak of hostilities, loans to Russian customers represented around 1% of the Intesa Sanpaolo Group's total loans to customers, net of Export Credit Agency - ECA guarantees. Due to the existence of those guarantees, the credit risk on those exposures can be considered as not referring to either Russia or Ukraine.

That being said, in this section we note some information relating to the subsidiary banks:

– Banca Intesa Russia: this is a Moscow-based bank, 47%-owned by Intesa Sanpaolo and 53% by Intesa Sanpaolo Holding International. It operates with 16 branches and 672 staff;
– Pravex is a small commercial bank, wholly-owned by Intesa Sanpaolo and based in Kyiv. It operates with 39 branches (mainly in the Kyiv region) and 530 staff.

Albeit within the objective limits dictated by the contingent scenario, particularly for Pravex, the two subsidiaries are continuing to operate with the support of the Parent Company structures.

Also for the purposes of the 2025 Financial Statements, Intesa Sanpaolo's continuing control over the two entities has been confirmed, which can be evidenced from various points of view:

– in accounting/administrative terms, by acquiring the accounts for consolidation purposes. Specifically, as explained in greater detail in Part A: Section 3 - Scope of consolidation and consolidation methods, and also in line with the methodological choices made for the 2024 Annual Report, for the Russian subsidiary, the accounts as at 31 December 2025 were acquired accurately and in a timely manner, while for Pravex, it was decided to maintain the accounts produced for consolidation as at 30 September 2025, valued at the exchange rate as at 31 December 2025, considering the specific operating difficulties of the subsidiary, as well as in light of the substantial immateriality of its balance sheet figures at Group level;
– in terms of statutory regulations, with specific regard to the Russian subsidiary, the Parent Company was able to exercise its power to determine, in compliance with Russian regulations, the composition of the management body of Banca Intesa Russia at the Shareholders' Meeting of 5 June 2025. The turnover of officers was the result of appointments proposed by the Parent Company that passed the approval process of the Russian Central Bank. Also for the Ukraine subsidiary, there was routine turnover in the governance bodies in 2025, based on the nominations expressed by the Parent Company;
– in terms of steering the business, the two entities continue to move ahead with their business following the instructions of the Parent Company;
– in terms of coordination and control, as the Parent Company's control functions (including the support function of the Manager responsible for preparing the Company's financial reports, namely Administrative and Financial Governance) continue to carry out their roles through the regular receipt and analysis of the planned information flows, interacting with the structures of the subsidiaries through the communication channels available, in line with any limitations that may arise over time, also handled using contingency solutions.

Moreover, the conclusions regarding the maintenance of control over Banca Intesa Russia are not invalidated by the limitations currently set by Russian regulations which, substantially, impose restrictions to repayments and payments to parties resident in "unfriendly" countries. Aware of the restrictions imposed by the specific regulatory framework, Banca Intesa Russia credited to specific Russian accounts, as provided by law, the monetary resources for the repayment of intragroup exposures that matured in the meantime. The potential use of the resources credited on these accounts – equal to a value of around 30 million euro at the end of December 2025 – is limited to several specific purposes, internal to Russia. In this context, it must be considered that the current limitations do not constitute the "expropriation" of the amounts in any way (nor are they even indicators of a loss of control over the subsidiary's assets). Rather, they derive from the temporary legal "freezing" of the free availability of amounts which, based on economic rights, would otherwise be available for their owner.

Since the hostilities broke out, the total exposure to the Russian Federation has constantly been decreasing sharply, as indicated by the ECB recommendations, the last of which was issued in December 2024 ("Decision establishing prudential requirements relating to further reduction of the risks connected with the Supervised Entity's business in Russia"). The Decision Letter imposes restrictions on Intesa Sanpaolo directly aimed at the operations of Banca Intesa Russia, along with a recommendation regarding the reduction of the Group's cross-border operations in Russia. The measures set out for Banca Intesa Russia consist of reducing i) the loan portfolio; ii) the volume of customer deposits; iii) the placement of deposits with financial institutions domiciled in Russia; and iv) payment activities originating from Russia, in currencies other than the rouble.

In terms of the valuation of exposures to Russia and Ukraine, it must be noted that the valuation approaches for the credit exposures to Russian and Ukrainian counterparties adopted for the 2025 Annual Report are substantially consistent with those adopted for the 2024 Annual Report. For a more complete discussion of the quantitative and valuation aspects of the Group's exposures to Russian and Ukrainian counterparties, for which – as stated – the de-risking already started in the three-year period 2022-2024 continued further in 2025, refer to Part E (Section 2 "Risks of the prudential consolidation") of these

Consolidated Financial Statements. In this section, we note that the elements mentioned above currently confirm the outlook of maintaining the subsidiary Banca Intesa Russia, whose assets (and related risks), albeit significantly decreased by the wind-down plan, show positive income for 2025 (139 million euro). Therefore, that result is calculated for the purposes of the 2025 consolidated income, considering that the forecast income of the bank, though gradually decreasing given the wind-down scenario, also confirms positive values for the future. Allowances for Risks and Charges allocated up to 31 December 2024 and aimed at eliminating the value of the shareholders' equity of BIR at that date remained substantially unchanged, pending the forward-looking monitoring of the geopolitical context, as a result of which we will decide whether to take additional decisions. Those allowances amount to 438 million euro (382 million euro as at 31 December 2024. an increase substantially caused by the revaluation of the rouble on the euro). Considering the assumption as at 31 December 2025 of a positive consolidated carrying amount of BIR, substantially equal to the 2025 income of the subsidiary reflected in the consolidated income statement (139 million euro), it was necessary to submit that value to impairment testing, which was conducted based on a specific valuation commissioned from a third party advisor. The results of the valuation support the consolidated carrying amount of Banca Intesa Russia as at 31 December 2025.

Lastly, it is also noted that, given the material nature of the issues in question, in the Report on operations of the Consolidated Financial Statements, a specific section was dedicated to "The military conflict between Russia and Ukraine". This section summarises the exposures of the Group due from entities resident in the two countries and the main related accounting issues, including those of measurement, in addition to the initiatives of the Intesa Sanpaolo Group in favour of Ukraine, as well as the aspects regarding the framework of sanctions against the Russian Federation and cybersecurity.

SIGNIFICANT JUDGEMENTS IN APPLYING IFRS 17

With regard to the insurance companies included in the consolidation, the disclosure required by IFRS 17 Insurance Contracts, paragraphs 117 to 120, on significant judgments made in applying the standard, to ensure consistency of treatment, is provided in the Accounting Policies, Section A.2 Main financial statement captions in relation to the insurance assets and liabilities, which describes, among others, the methods used to determine the discount rates and the risk adjustment for non-financial risk, and to estimate the future fulfilment cash flows for the insurance contracts. The quantitative details of the yield curve used to discount cash flows, required by paragraph 120 of IFRS 17, are provided in Part E in relation to the Insurance Risks.

CLIMATE-RELATED MATTERS

In the last few years, monitoring of ESG risks, specifically climate-related risks, and the impact that these may generate on the valuation of assets recorded in the financial statements have become issues of increasing interests, which required the intervention of the Supervisory Authorities (specifically ESMA and Consob) and the IASB with the two-fold objective of:

– supplementing ESG issues and, specifically, climate-related issues in financial reporting;
– pursuing greater connection between financial reporting and sustainability reporting.

As usual, in preparing the 2025 Annual Report, the Intesa Sanpaolo Group considered the recommendations set out in the "European Common Enforcement Priorities for 2025 Annual Financial Reports", published by ESMA in October 2025, also referenced by Consob. In line with the guidelines defined starting in 2021, issuers are required to assess the potential impacts of climate-related risks on financial statement captions and provide adequate disclosure, where those impacts are material. Specifically, again this year, ESMA is highlighting the importance of guaranteeing the consistency of and connection between the information on climate-related impacts provided in financial reporting and that included in the sustainability report.
ESMA has also called attention to the IASB document "Disclosure about Uncertainties in Financial Statement – Climate Related Examples", the final version of which was published in November 2025. The IASB has developed these examples to assist entities in improving reporting on uncertainties, specifically climate-related uncertainties. The examples do not change the requirements of the accounting standards in force, but provided several useful ideas for formulating materiality judgments, aspects to consider to assess the material assumptions and uncertainties in estimates and regarding the disaggregation of information. Despite the fact that a no date is provided for the entry into force of their application, the Regulator expects that those indications will be considered already in preparing the 2025 Annual Report, an expectation with which the Intesa Sanpaolo Group has complied.

As stated in previous reports, in light of their growing importance, ESG risks, and in particular climate risk, are subject to constant attention by the Intesa Sanpaolo Group, within the overall Risk Management framework, which, as described in more detail in Part E, involves a materiality analysis, the establishment of specific controls within the RAF, the performance of scenario analyses, and the monitoring of ESG risks divided across the different risk categories (e.g. credit, market, liquidity). The materiality analysis contributed to determining the financial materiality envisaged in the Consolidated Sustainability Statement, included in the Report on operations, which should be referred to for more details, in order to identify the material risks the Group is exposed to, which may also influence the measurement of the various financial statement items potentially impacted by climate risks and the related disclosures. Indeed, the Intesa Sanpaolo Group recognises the importance of developing techniques that can more accurately identify how and to what extent environmental risks, and in particular climate-related risks, may translate into financial risks, by incorporating environmental forward-looking information into its valuation models.
When identifying the time horizon over which environmental risks may generate an impact, it is necessary to consider the difficulty in determining the timing of the related effects with reasonable certainty. In this regard, the EBA in its "Report on the role of environmental and social risks in the prudential framework" of October 2023 notes that chronic physical risks may reasonably have an impact over a relatively long-term time horizon and only some acute physical risks, as well as transitional risks, may materialise over a short to medium term time horizon. The results of the impact assessments conducted so far by the Intesa Sanpaolo Group (materiality assessment and climate scenario analysis) have shown that the Group is not exposed to a material extent to climate risks in the short term. Over the medium- to long-term horizon, exposure to these risks could intensify in a limited and concentrated manner in areas already subject to control and monitoring. In particular, with regard to the transition risk on the most emission-intensive sectors of the banking book (Oil & Gas, Power Generation and Automotive), intermediate sector targets to 2030 have been set in the Business Plan – aligned to the Net-Zero target by 2050 – subject to a

transition plan in accordance with the NZBA guidance[354], to mitigate the potential future risk. The monitoring has been progressively extended to other sectors, in line with the commitments made upon joining the NZBA and with the request for validation by the SBTi.
With regard to the recording and valuation of financial statement captions pursuant to the IFRSs, given the nature of the items recognised in the financial statements, credit is the category for which climate risk is potentially most significant, in relation to which, as set out in Part E, the Group is continually developing its internal valuation models to include ESG and climate-related factors, within its credit risk, which currently do not appear to have a material effect on the valuations produced by the models. In particular, for the measurement of the ECL (Expected Credit Loss) of loans, the Intesa Sanpaolo Group has taken steps to also include climate risk among emerging risks. Since 2025, the ECL measure has contained an in-model adjustment that aims to incorporate the effect of climate-related risk in the credit risk parameters, focusing on performing loans to businesses and mortgage loans to individuals, as set out in Part A - Accounting policies, Section A.2 - Main financial statement captions and Impairment of financial assets, and in Part E, Section 2 Credit risk management policies, 2.3 Methods for measuring expected losses.
With regard to connecting information, we are continuing in the commitment to strengthen the integration and consistency of the data among the various sections of the Annual Report. Even though the concept is continuously evolving, the objective remains the full integration between financial reporting and sustainability reporting, a milestone which future activities are aiming for.

ESG FINANCIAL INSTRUMENTS FEATURING A SUBSEQUENT CHANGE IN INTEREST RATES NOT LINKED TO CREDIT RISK

The Intesa Sanpaolo Group supports customers in the ESG transition by granting new loans and opening credit lines for projects related to the green economy, circular economy and climate transition, as well as through the S-Loan offering, as described in more detail in the Consolidated Sustainability Statement, included from this year in the Report on operations.
In view of the above, a specific framework of incentives/benefits in terms of the rate applied has been developed for loans aimed at supporting the ESG transition, based on the purposes of the initiative and the alignment with the European Taxonomy. These may entail a subsequent variation of the rate depending on whether or not the borrower achieves specific ESG KPIs.
In that regard, the Group's offering is made up of highly standardised products, mainly offered by the Banca dei Territori Division (as at 31 December the related remaining exposure amounted to around 7.3 billion euro) or more customised products, mainly offered by the IMI Corporate & Investment Banking Division (as at 31 December the related remaining exposure amounted to around 9.8 billion euro).
The support provided by Intesa Sanpaolo Group to its customers during the transition phase is further reflected in the investments in sustainable securities classified under the Hold to Collect and Hold to Collect and Sell business models. The exposure in securities included sustainable-linked bonds, which are subject to possible (upward) variability of the interest rate, of around 0.5 billion euro. The expected impacts on net interest income in subsequent years, resulting from the failure of issuers to achieve the KPIs, are considered minimal.
With regard to the SPPI tests on financial instruments subject to possible subsequent variability of the interest rate depending on whether or not the borrower or the issuer achieves specific ESG KPIs, these clauses are not considered critical following qualitative-quantitative analyses in place aimed at verifying the nature and absolute and relative impacts of those clauses on the overall contractual cash flows of the instrument. Those results were confirmed by the application of the internal policy defined by the Group in light of the clarifications set out in the Amendment to IFRS 9, whose first-time adoption did not give rise to impacts on equity or reclassifications of balance sheet assets.

[354] In October 2025 the Net Zero Banking Alliance changed its structure, transforming from a voluntary membership-based alliance to a new framework initiative, with the goal of continuing to provide guidelines to promote the transition in compliance with the Paris Accord.

OTHER ASPECTS

Option for the national fiscal consolidation provisions

Intesa Sanpaolo and the Group's Italian companies have adopted the "national fiscal consolidation", set forth by Articles 117-129 of the Combined Tax Regulations, introduced by Legislative Decree 344/2003. It provides an option, based on which the total net income or fiscal loss of every subsidiary taking part in the fiscal consolidation procedure – together with withholding tax, tax deductions and tax credits – is transferred to the parent company, which determines a single taxable income or loss carried forward (that is the result of the sum of its own income/loss and of the income/loss of the participating subsidiaries) and, consequently, a sole tax debit/credit. Based on this option, Group companies that opted for the "national fiscal consolidation" determine the tax charge pertaining to them and the corresponding taxable income is transferred to the Parent Company.

Set up of a VAT Group

Intesa Sanpaolo and all of the Group companies that meet the requirements for participation opted to set up the VAT Group, governed by Articles from 70-bis to 70-duodecies of Presidential Decree 633/1972.
This option takes effect from 1 January 2019 and has a duration of three years, automatically renewed each year, unless revoked.
As a result of this option, the tax will not apply to either the provision of services and sales of goods between participating parties, with a few exceptions. Sales of goods and provision of services by a participating party to an external party shall be considered made out by the VAT Group. Sales of goods and provision of services by an external party to a participating party shall be considered made to the VAT Group.

"Cooperative compliance" regime

Intesa Sanpaolo applied for and obtained from the Italian Revenue Agency admission to the "cooperative compliance" regime set out in Legislative Decree 128/2015. The admission is effective from the tax period 2017.
The purpose of this regime is to promote the use of enhanced forms of communication and cooperation based on the reciprocal trust between the tax authorities and the taxpayer, as well as favouring the prevention and resolution of tax disputes, in the common interest of the parties.
Under the regime, Intesa Sanpaolo is required to maintain an appropriate system of recognition, measurement and management of tax risk as well as act in a cooperative and transparent manner, and the Italian Revenue Agency is required to promote a relationship based on the principles of transparency, cooperation and fairness.
In addition to Intesa Sanpaolo, the following companies applied for admission and were admitted to the regime: Fideuram - Intesa Sanpaolo Private Banking (with effect from 2018), as well as Intesa Sanpaolo Assicurazioni, Intesa Sanpaolo Protezione, Fideuram Vita and Eurizon SGR (with effect from 2019). Intesa Sanpaolo Private Banking and SIREF were admitted in 2021 with effect from 2020.

Auditing

EY S.p.A. audited the Consolidated financial statements, in execution of the Shareholders' Meeting resolution of 30 April 2019, which appointed the company as independent auditor for the years from 2021 to 2029, included.

Other aspects

A reformulation of the rules on the transparency of government grants laid down in Article 1, paragraphs 125-129 of Law No. 124/2017 has been introduced in Article 35 of Decree Law 34/2019 (the "Growth" Decree), converted by Law 58/2019. This reformulation indicates that the scope of transparency obligations applies to information regarding grants, subsidies, advantages, contributions or aid, in cash or in kind, "not of a general character and which do not represent consideration, remuneration or compensation" effectively disbursed by public authorities and the entities indicated in Article 2-bis of Legislative Decree 33/2013.
In the light of this reformulation, additional interpretative clarification provided in Assonime Circular No. 32 of 23 December 2019 has confirmed that the transparency obligation applies to awards of economic benefits arising from a bilateral relationship between a public entity and a specific beneficiary. Sums received by a company as consideration for a service rendered, as remuneration for an assignment received or as compensation for damages are expressly excluded. Economic advantages received in application of a general regime, such as tax or contribution relief accessible to all parties who meet certain conditions, are also excluded.
In consideration of the above, there were no cases to report in 2025 for the Group's Italian companies.
In the interest of completeness, reference should also be made to the National State Aid Registry, available for public consultation on the relevant website, in which aid measures and the related individual aid packages granted and recorded in the system by the managing entities are published, although, given the foregoing, for the Group's Italian companies the circumstances indicated therein for the year 2025 are not subject to financial statement transparency obligations pursuant to paragraphs 125 and 125-*bis*.

A.2 – MAIN FINANCIAL STATEMENT CAPTIONS

To ensure uniformity in the accounting policies used for the financial statements, the Intesa Sanpaolo Group has adopted an internal set of rules and policies for the various operational and organisational areas.

The methodological document used for the application of the accounting standards is the "Group Accounting Policies", which describes the application models adopted by the Group, within the framework of the standards and the legislation applicable to the various companies/subsidiaries, and sets out the choices made when the regulations envisage alternative or optional accounting treatments.

With regard to the valuation processes, the Group, in the document “Guidelines for the valuation of Balance Sheet Items”, has drawn up the principles and regulatory framework for the valuation of the balance sheet items and the roles and responsibilities of the Corporate Bodies, the Manager responsible for preparing the Company’s financial reports and the Parent Company’s corporate functions involved in the valuation process; the prerequisites for the existing valuation processes and the control system necessary to ensure proper valuation; the general valuation processes based on accounting standards specific to the various categories of balance sheet items being measured (assets and liabilities); and the rules for guidance and coordination of Group Companies on the valuation of balance sheet items.

The guidelines and policies also include the Business Model Rules, the Rules on the measurement of Expected Credit Loss in accordance with IFRS 9 (Impairment Policy), and the Rules for Valuation of Financial Instruments at Fair Value (former Fair Value Policy), in addition to more specific documents relating to non-performing loans, equity investments, and the management of hedging financial instruments.

Finally, with regard to prudential supervision, the Group has drawn up a specific document called "Harmonised Prudential Supervision Rules".

In general, these documents are approved by the competent Corporate Bodies. They are updated by the management structures in response to needs arising both from external factors (e.g. changes in regulations) and from internal factors within the Group (e.g. new operations and products). Those documents are subject to a specific approval process, based on the significance and scope of the changes made.

1. Financial assets measured at fair value through profit or loss (FVTPL)

Classification criteria

This category contains the financial assets not classified as Financial assets measured at fair value through other comprehensive income or as Financial assets measured at amortised cost. This caption includes in particular:

– financial assets held for trading, essentially consisting of debt securities and equity instruments and the positive value of derivative contracts held for trading;
– financial assets mandatorily measured at fair value through profit or loss, consisting of financial assets that do not meet the requirements for measurement at amortised cost or at fair value through other comprehensive income. These are financial assets whose contractual terms do not solely envisage payments of principal and interest on the principal amount outstanding (SPPI Test not passed) or that are not held under a Hold to Collect business model or a Hold to Collect and Sell business model;
– financial assets designated at fair value, i.e. financial assets that are defined as such upon initial recognition and when the conditions apply. In relation to this case, an entity may irrevocably designate a financial asset as measured at fair value through profit or loss only if it eliminates or significantly reduces a measurement inconsistency.

This caption therefore includes:

– debt securities and loans that are included in an Other/Trading business model (i.e., that do not come under the Hold to Collect or Hold to Collect and Sell business models) or that do not pass the SPPI Test, including the portions of syndicated loans subscribed or other types of loans that are originally intended to be sold and are not part of a Hold to Collect and Sell business model. It also includes the debt securities of the Insurance Division covering the liabilities to insured parties represented by unit-linked products, multi-line products and pension funds;
– equity instruments – that do not qualify as investments in subsidiaries, associates or joint ventures – held for trading purposes or for which the option was not exercised, upon initial recognition, to designate them at fair value through other comprehensive income;
– quotas of UCI (Undertakings for Collective Investment).

This caption also includes the derivatives, recognised under financial assets held for trading, which are presented as assets if the fair value is positive and as liabilities if the fair value is negative. The positive and negative current values arising from transactions with the same counterparty – also between derivatives allocated to the trading book and hedging derivatives, as envisaged by the Bank of Italy Circular 262 – may be offset only when the legal right to offset amounts recognised for accounting purposes currently exists and the net settlement of positions subject to offsetting is carried out.
Derivatives also include those embedded in combined financial contracts – where the host contract is a financial liability – which are subject to separate accounting when:
– their economic characteristics and risks are not closely related to the characteristics of the host contract;
– the embedded instruments, even though separate, fully meet the definition of derivative;
– the combined instruments are not measured at fair value with changes in fair value recognised through profit or loss.
According to the general rules established by IFRS 9 on the reclassification of financial assets (except for equity instruments, for which no reclassification is permitted), reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for those financial assets. In such cases, which are expected to be highly infrequent, the financial assets may be reclassified from those measured at fair value through profit or loss to one of the other two categories established by IFRS 9 (Financial assets measured at amortised cost or Financial assets measured at fair value through other comprehensive income). The transfer value is the fair value at the time of the reclassification and the effects of the reclassification apply prospectively from the reclassification date. In this case, the effective interest rate of the reclassified financial asset is determined based on its fair value at the reclassification date and that date is considered as the initial recognition date for the credit risk stage assignment for impairment purposes.
For more information regarding the classification criteria for the financial instruments see the paragraph below "Classification drivers for the financial assets".

Recognition criteria
Initial recognition of financial assets occurs at settlement date for debt securities and equity instruments, at disbursement date for loans and at trade date for derivative contracts.
On initial recognition, financial assets measured at fair value through profit or loss are recognised at fair value, without considering transaction costs or revenues directly attributable to the instrument.

Measurement criteria
After initial recognition, the financial assets measured at fair value through profit or loss are recorded at fair value. The effects of the application of this measurement criterion are recorded in the income statement.
For the determination of the fair value of financial instruments quoted on active markets, market quotations are used. If the market for a financial instrument is not active, standard practice estimation methods and valuation techniques are used which consider all the risk factors correlated to the instruments and that are based on market elements such as: valuation of quoted instruments with the same characteristics, calculation of discounted cash flows, option pricing models, recent comparable transactions, etc.. For equities and derivative instruments that have equities as underlying assets, which are not quoted on an active market, the cost approach is used as the estimate of fair value only on a residual basis and in a small number of circumstances, i.e., when all the measurement methods referred to above cannot be applied, or when there are a wide range of possible measurements of fair value, in which cost represents the most significant estimate.
For more information regarding the criteria for the determination of fair value, see the Section "A.4 – Information on Fair Value".

Derecognition criteria
Financial assets are derecognised solely if the sale leads to the substantial transfer of all the risks and rewards connected to the assets. Conversely, if a significant part of the risks and rewards relative to the disposed financial assets is maintained, they continue to be recorded in the financial statements, even though their title has been transferred.
When it is not possible to ascertain the substantial transfer of risks and rewards, the financial assets are derecognised where no control over the assets has been maintained. If this is not the case, when control, even partial, is maintained, the assets continue to be recognised for the entity's continuing involvement, measured by the exposure to changes in value of assets sold and to variations in the relevant cash flows.
Lastly, disposed financial assets are derecognised if the entity retains the contractual rights to receive the cash flows of the asset, but signs a simultaneous obligation to pay such cash flows, and only such cash flows, without significant delay to third parties.

2. Financial assets measured at fair value through other comprehensive income (FVOCI)

Classification criteria

This category includes the financial assets that meet both the following conditions:

– the financial asset is held under a business model whose objective is achieved both through the collection of expected contractual cash flows and through sale (Hold to Collect and Sell business model), and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI Test" passed).

This caption also includes equity instruments, not held for trading, for which the option was exercised upon initial recognition of their designation at fair value through other comprehensive income.

In particular, this caption includes:

– debt securities that can be attributed to a Hold to Collect and Sell business model and that have passed the SPPI test;
– equity interests, that do not qualify as investments in subsidiaries, associates or joint ventures and are not held for trading, for which the option has been exercised of their designation at fair value through other comprehensive income;
– loans that are attributable to a Hold to Collect and Sell business model and have passed the SPPI Test, including the portions of syndicated loans subscribed or other types of loans that are originally intended to be sold and are part of a Hold to Collect and Sell business model.

According to the general rules established by IFRS 9 on the reclassification of financial assets (except for equity instruments, for which no reclassification is permitted), reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for those financial assets.
In such cases, which are expected to be highly infrequent, the financial assets may be reclassified from those measured at fair value through other comprehensive income to one of the other two categories established by IFRS 9 (Financial assets measured at amortised cost or Financial assets measured at fair value through profit or loss). The transfer value is the fair value at the time of the reclassification and the effects of the reclassification apply prospectively from the reclassification date. In the event of reclassification from this category to the amortised cost category, the cumulative gain (loss) recognised in the valuation reserve is allocated as an adjustment to the fair value of the financial asset at the reclassification date. In the event of reclassification to the fair value through profit or loss category, the cumulative gain (loss) previously recognised in the valuation reserve is reclassified from shareholders' equity to net income (loss).
For more information regarding the classification criteria for the financial instruments see the paragraph below "Classification drivers for the financial assets".

Recognition criteria

Initial recognition of financial assets occurs at settlement date for debt securities and equity instruments and at disbursement date for loans. On initial recognition, assets are recorded at fair value, including transaction costs and revenues directly attributable to the instrument.

Measurement criteria

After initial recognition, the Assets classified at fair value through other comprehensive income, other than equity instruments, are measured at fair value, with the recognition in profit or loss of the impact resulting from the application of the amortised cost, the impairment effects and any exchange rate effect, whereas the other gains and losses resulting from a change in fair value are recognised in a specific shareholders' equity reserve until the financial asset is derecognised. Upon the total or partial sale, the cumulative gain or loss in the valuation reserve is transferred, in whole or in part, to the income statement.
Equity instruments, for which the choice has been made to classify them in this category, are measured at fair value and the amounts recognised in other comprehensive income cannot be subsequently transferred to profit or loss, not even if they are sold. The only component related to these equities that is recognised through profit or loss is their dividends.
Fair value is determined on the basis of the criteria already described for Financial assets measured at fair value through profit or loss.
For the equity instruments included in this category, which are not quoted on an active market, the cost approach is used as the estimate of fair value only on a residual basis and in a small number of circumstances, i.e., when all the measurement methods referred to above cannot be applied, or when there are a wide range of possible measurements of fair value, in which cost represents the most significant estimate.
For more information regarding the criteria for the determination of fair value, see the Section "A.4 – Information on Fair Value".

Financial assets measured at fair value through other comprehensive income – both in the form of debt securities and loans – are subject to the verification of the significant increase in credit risk (impairment) required by IFRS 9, in the same way as Assets measured at amortised cost, with the consequent recognition through profit or loss of a value adjustment to cover the expected losses. More specifically, for instruments classified as stage 1 (i.e., financial assets at origination, when not impaired, and instruments for which there has not been a significant increase in credit risk since the initial recognition date), a 12-month expected loss is recognised on the initial recognition date and at each subsequent reporting date. For instruments classified as stage 2 (performing for which there has been a significant increase in credit risk since the initial recognition date) and as stage 3 (credit-impaired exposures), a lifetime expected loss for the financial instrument is recognised.
Equity instruments are not subject to the impairment process.
See the paragraph below "Impairment of financial assets" for more details.

Derecognition criteria

Financial assets are derecognised solely if the sale leads to the substantial transfer of all the risks and rewards connected to the assets. Conversely, if a significant part of the risks and rewards relative to the disposed financial assets is maintained, they continue to be recorded in the financial statements, even though their title has been transferred.

When it is not possible to ascertain the substantial transfer of risks and rewards, the financial assets are derecognised where no control over the assets has been maintained. If this is not the case, when control, even partial, is maintained, the assets continue to be recognised for the entity's continuing involvement, measured by the exposure to changes in value of assets sold and to variations in the relevant cash flows.

Lastly, disposed financial assets are derecognised if the entity retains the contractual rights to receive the cash flows of the asset, but signs a simultaneous obligation to pay such cash flows, and only such cash flows, without significant delay to third parties.

3. Financial assets measured at amortised cost

Classification criteria

This category includes the financial assets (in particular loans and debt securities) that meet both the following conditions:

– the financial asset is held under a business model whose objective is achieved through the collection of expected contractual cash flows (Hold to Collect business model), and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI Test" passed).

More specifically, the following are recognised in this caption:

– loans to banks in their various forms that meet the requirements referred to above;
– loans to customers in their various forms that meet the requirements referred to above;
– debt securities that meet the requirements referred to above.

This category also includes the operating loans and receivables connected to the provision of financial activities and services as defined by the Consolidated Law on Banking and the Consolidated Law on Finance (e.g. for the distribution of financial products and servicing activities).

According to the general rules established by IFRS 9 on the reclassification of financial assets, reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for those financial assets. In such cases, which are expected to be highly infrequent, the financial assets may be reclassified from the amortised cost category to one of the other two categories established by IFRS 9 (Financial assets measured at fair value through other comprehensive income or Financial assets measured at fair value through profit or loss). The transfer value is the fair value at the time of the reclassification and the effects of the reclassification apply prospectively from the reclassification date. Gains and losses resulting from the difference between the amortised cost of a financial asset and its fair value are recognised through profit or loss in the event of reclassification to Financial assets measured at fair value through profit or loss and under Shareholders' equity, in the specific valuation reserve, in the event of reclassification to Financial assets measured at fair value through other comprehensive income.

For more information regarding the classification criteria for the financial instruments see the paragraph below "Classification drivers for the financial assets".

Recognition criteria

Initial recognition of the financial asset occurs at settlement date for debt securities and at disbursement date for loans. On initial recognition, assets are recorded at fair value, including transaction costs and revenues directly attributable to the instrument.

In particular, for loans, the disbursement date is usually the same as the date of signing of the contract. Should this not be the case, a commitment to disburse funds is made along with the subscription of the contract, which will cease to exist upon disbursement of the loan. The loan is recognised based on its fair value, equal to the amount disbursed or subscription price, inclusive of the costs/revenues directly attributable to the single loan and determinable from inception, even when settled at a later date. Costs that, even with the aforementioned characteristics, are reimbursed by the borrower or are classifiable as normal internal administrative costs are excluded.

Repurchase agreements are recognised as funding or lending transactions. Specifically, they are recognised as payables for the spot amount received or as receivables for the spot amount paid.

Measurement criteria

After the initial recognition, these financial assets are measured at amortised cost, using the effective interest method. The assets are recognised in the balance sheet at an amount equal to their initial carrying amount less principal repayments, plus or minus the cumulative amortisation (calculated using the effective interest method) of the difference between this initial amount and the amount at maturity (typically attributable to costs/income directly attributable to the individual asset) and adjusted by any provision for losses. The effective interest rate is the rate that exactly discounts estimated future cash payments of the asset, as principal and interest, to the amount disbursed inclusive of the costs/revenues attributable to that financial asset. This measurement method uses a financial approach and allows distribution of the economic effect of the costs/income directly attributable to a financial asset over its expected lifetime.

The amortised cost method is not used for assets, measured at historical cost, whose short duration makes the effect of discounting negligible, or for assets without a definite maturity or revocable loans.

The measurement criteria, as described in more detail in the paragraph "Impairment of financial assets", are closely linked to the inclusion of these instruments in one of the three stages of credit risk established by IFRS 9, the last of which (stage 3) consists of non-performing financial assets and the remaining (stages 1 and 2) of performing financial assets.

With regard to the accounting representation of the above measurement effects, the adjustments for this type of asset are recognised in profit or loss:

– on initial recognition, for an amount equal to the 12-month expected credit loss;
– on subsequent measurement of the asset, when the credit risk has not increased significantly since initial recognition, in relation to changes in the amount of adjustments for the 12-month expected credit losses;
– on subsequent measurement of the asset, when the credit risk has increased significantly since initial recognition, in relation to the recognition of adjustments for expected credit losses over the contractually agreed remaining lifetime of the asset;
– on subsequent measurement of the asset, where – after a significant increase in credit risk has occurred since initial recognition – the increase is no longer "significant" due to the alignment of the cumulative value adjustments to take account of the change from a lifetime expected credit loss to a 12-month expected credit loss for the instrument.

These financial assets, when they are performing, are subject to an assessment, aimed at establishing the value adjustments to be recognised in the financial statements, at the level of individual loan (or "tranches" of securities), according to the risk parameters consisting of Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), derived from the AIRB models, and duly adjusted to take account of the provisions of IFRS 9.

If, in addition to a significant increase in credit risk, there is also objective evidence of impairment, the amount of the loss is measured as the difference between the carrying amount of the asset – classified as "non-performing", like all the other relationships with the same counterparty – and the present value of the estimated future cash flows, discounted using the original effective interest rate. The amount of the loss, to be recognised through profit or loss, is established based on individual measurement or determined according to uniform categories and, then, individually allocated to each position, and, as detailed in the paragraph "Impairment of financial assets", takes account of forward-looking information and possible alternative recovery scenarios.

Non-performing assets include financial assets classified as bad, unlikely-to-pay or past due by over ninety days according to the rules issued by the Bank of Italy, in line with the IAS/IFRS and EU Supervisory Regulations.

The expected cash flows take into account the expected recovery times and the estimated realisable value of any guarantees.

The original effective rate of each asset remains unchanged over time even if the relationship has been restructured with a variation of the contractual interest rate and even if the relationship, in practice, no longer bears contractual interest.

If the reasons for impairment are no longer applicable following an event subsequent to the registration of impairment, recoveries are recorded in the income statement. The size of the recovery must not lead the carrying value of the financial asset to exceed the amortised cost had no impairment losses been recognised in previous periods.

Recoveries on impairment with time value effects are recognised in net interest income.

In some cases, during the lifetime of these financial assets, and of loans in particular, the original contractual conditions may be subsequently modified by the parties to the contract. When the contractual clauses are subject to change during the lifetime of an instrument, it is necessary to verify whether the original asset should continue to be recognised in the balance sheet or whether, instead, the original instrument needs to be derecognised and a new financial instrument needs to be recognised.

In general, changes to a financial asset lead to its derecognition and the recognition of a new asset when they are "substantial". The assessment of the "substantial nature" of the change must be made using both qualitative and quantitative information. In some cases, in fact, it may be clear, without resorting to complex analysis, that the changes introduced substantially modify the characteristics and/or contractual flows of a particular asset while, in other cases, further analysis (including quantitative analysis) will need to be carried out to assess the effects of the changes and verify whether or not to derecognise the asset and recognise a new financial instrument.

The qualitative and quantitative analyses aimed at defining the "substantial nature" of contractual changes made to a financial asset must therefore consider:

– the purposes for which the changes were made: e.g. renegotiations for commercial reasons and forbearance measures due to financial difficulties of the counterparty:
  - the former, aimed at "retaining" the customer, involve a borrower that is not in financial difficulty. This category includes all renegotiations aimed at aligning the cost of the debt to market conditions. These operations involve a change in the original conditions of the contract, usually requested by the borrower and relating to aspects concerning the cost of the debt, with a consequent economic benefit for the borrower. In general, whenever the bank carries out a renegotiation to avoid losing its customer, that renegotiation should be considered as substantial because, if it were not carried out, the customer could borrow from another intermediary and the bank would incur a decrease in expected future revenues;
  - the latter, carried out for "reasons of credit risk" (forbearance measures), relate to the bank's attempt to maximise the recovery of the cash flows of the original loan. The underlying risks and rewards, following the changes, are not normally substantially transferred and, consequently, the accounting representation that provides the most relevant information for the readers of the financial statements (apart from the triggers discussed below) is "modification

accounting" – which involves the recognition through profit or loss of the difference between the carrying value and the present value of the modified cash flows discounted at the original interest rate – rather than derecognition;
– the presence of specific triggers that affect the contractual characteristics and/or cash flows of the financial instrument (such as, for example, a change in currency or a modification of the type of risk the financial instrument is exposed to, when correlated to equity and commodity parameters), which are considered to result in derecognition due to their impact (expected to be significant) on the original contractual cash flows.

Derecognition criteria

Financial assets are derecognised solely if the sale leads to the substantial transfer of all the risks and rewards connected to the assets. Conversely, if a significant part of the risks and rewards relative to the disposed financial assets is maintained, they continue to be recorded in the financial statements, even though their title has been transferred.
When it is not possible to ascertain the substantial transfer of risks and rewards, the financial assets are derecognised where no control over the assets has been maintained. If this is not the case, when control, even partial, is maintained, the assets continue to be recognised for the entity's continuing involvement, measured by the exposure to changes in value of assets sold and to variations in the relevant cash flows.
Lastly, disposed financial assets are derecognised if the entity retains the contractual rights to receive the cash flows of the asset, but signs a simultaneous obligation to pay such cash flows, and only such cash flows, without significant delay to third parties.

4. Hedging transactions

The Intesa Sanpaolo Group has exercised the option, provided for on the introduction of IFRS 9, of continuing to fully apply the provisions of IAS 39 on hedge accounting (in the carved-out version endorsed by the European Commission) for each type of hedge (both for micro hedges and macro hedges).

Classification criteria: type of hedge

Hedging transactions are aimed at neutralising potential losses on a specific item or group of items, attributable to a certain risk, if such a risk should actually occur.
The following types of hedging transactions are used:
– fair value hedge, which has the objective of covering exposure to changes in the fair value (attributable to the different risk categories) of assets and liabilities in the balance sheet, or on a portion of these, of groups of assets/liabilities, of binding commitments and portfolios of financial assets and liabilities, including core deposits, as permitted by IAS 39 endorsed by the European Commission. Fair value macro hedges are aimed at reducing fluctuations in the fair value, as a result of interest rate risk, of a sum of money flowing from a portfolio of financial assets or liabilities. Net amounts resulting from mismatches between assets and liabilities cannot be subject to macro hedges;
– cash flow hedge, which has the objective of covering exposure to variability in future cash flows attributable to particular risks associated with balance sheet captions. This type of hedge is essentially used to stabilise the interest flow on floating rate funding to the extent that the latter finances fixed rate investments. In certain circumstances, similar transactions are carried out with respect to some types of floating rate investments;
– hedges of net investments in foreign currency, which refer to the coverage of the risks of net investments in foreign operations expressed in their original currency.

Only hedging transactions which involve counterparties outside the Group may qualify for hedge accounting.
The choice made by the Group to take advantage of the possibility of continuing to fully apply the IAS 39 rules for hedging relationships means that the equity instruments classified as Financial assets measured at fair value through other comprehensive income (FVOCI) cannot be measured as hedged items for price or exchange rate risk, since these instruments are not recognised through profit or loss, not even if they are sold (except for dividends that are recognised through profit or loss).

Recognition criteria

Hedging derivatives, like all derivatives, are initially recognised and subsequently measured at fair value.
A relationship qualifies as a hedging relationship, and is appropriately reported in the financial statements only if, all of the following conditions are met:
– at the inception of the hedge, the hedging relationship is formally designated and documented, including the company's risk management objectives and strategy in undertaking the hedge. This documentation includes the identification of the hedging instrument, the item or transaction hedged, the nature of the risk being hedged, and how the entity will assess the hedging instrument's effectiveness in offsetting the exposures to changes in the fair value of the item hedged or in the cash flows attributable to the risk hedged;
– the hedge is expected to be highly effective;
– the planned transaction hedged, to hedge the cash flows, is highly probable and has an exposure to changes in cash flows that could have effects on the income statement;
– the effectiveness of the hedge can be reliably measured;
– the hedge is measured on an ongoing basis and is considered highly effective for all the financial years in which it is designated.

Measurement criteria

Hedging derivatives are measured at fair value. In particular:
– in the case of fair value hedges, the change in the fair value of the hedged item is offset by the change in fair value of the hedging instrument. Offsetting is recognised via the registration in the income statement of the gains and losses referred to both the hedged item (with regard to the variations produced by the underlying risk factor), and the hedging instrument. Any difference, which represents the partial ineffectiveness of the hedge, is therefore the net economic effect. In case of

fair value macro hedges, fair value changes related to the hedged risk of assets and liabilities in hedged portfolios are allocated to the balance sheet under caption 60. “Fair value change of financial assets in hedged portfolios” or under caption 50. “Fair value change of financial liabilities in hedged portfolios”;
– in the case of cash flow hedges, changes in fair value of the derivative are recorded in equity, for the effective portion of the hedge, and these are registered in the income statement only when, with reference to the hedged item, there is a variation in the flows to be offset or if the hedge is ineffective;
– hedges of net investments in foreign currency are treated in the same way as cash flow hedges.

The effectiveness of the hedge depends on the extent to which changes in the fair value of the hedged item or the relating expected cash flows are offset by those of the hedging instrument. Therefore, effectiveness is appraised by comparing the aforementioned changes, considering the intent pursued by the entity at the time in which it entered the hedging transaction. A hedge is effective when the variations in fair value (or cash flows) of the hedging financial instrument almost completely neutralise, that is within the 80-125% range, the changes in the fair value of the hedged item, for the type of risk being hedged.

Effectiveness is assessed at every close of annual or interim financial statements using:
– prospective tests, which justify the application of hedge accounting, since these prove the expected effectiveness of the hedge;
– retrospective tests, which demonstrate the effectiveness of the hedge for the reference period, or measure how much the effective results diverge from perfect coverage.

Fair value hedge accounting is discontinued prospectively in the following cases:
– the hedging instrument expires or is sold, terminated, or exercised;
– the hedge no longer meets the hedge accounting criteria described above;
– the entity revokes the designation.

If such assessments do not confirm hedge effectiveness, from that moment hedge accounting is discontinued, the derivative is reclassified in instruments held for trading and the hedged item is measured on the basis of its classification in the balance sheet. If the assets or liabilities hedged are measured at amortised cost, the higher or lower value resulting from the fair value measurement due to the hedge becoming ineffective is recognised through profit or loss, using the effective interest rate method. When a fair value macrohedging relationship is discontinued, the cumulative change in fair value losses carried under caption 60 "Fair value change of financial assets in hedged portfolios" or caption 50. “Fair value change of financial liabilities in hedged portfolios” are transferred to the income statement among interest income or expense over the residual life of the original hedging relationships, without prejudice to verification that the requirements have been met.

An entity must discontinue cash flow hedge accounting prospectively in each of the following circumstances:
– the hedging instrument expires or is sold, terminated, or exercised (for this purpose the replacement or exchange of one hedging instrument with another hedging instrument is not a conclusion or termination if that replacement or exchange forms part of an entity’s documented hedging strategy). In this case the total profit (or loss) on the hedging instrument continues to be recognised directly in shareholders’ equity until the end of the reporting period in which the hedge became effective and it continues to be recognised separately until the programmed transaction, being hedged, occurs;
– the hedge no longer meets the criteria for hedge accounting. In this case the total profit or loss on the hedging instrument is recognised directly in shareholders’ equity starting from the reporting period in which the hedge became effective and continues to be recognised separately in shareholders’ equity until the programmed transaction occurs;
– it is no longer considered that the future transaction will occur, in which case any related total profit or loss on the hedging instrument recognised directly in equity starting from the reporting period in which the hedge became effective must be recognised through profit or loss;
– the entity revokes the designation. For hedges of a programmed transaction, total profits or losses on the hedging instrument recognised directly in shareholders’ equity starting from the reporting period in which the hedge became effective continue to be recognised separately in shareholders’ equity until the programmed transaction occurs or it is expected that it will no longer occur.

5. Investments in associates and companies subject to joint control

Classification, recognition and measurement criteria

The caption includes investments in companies subject to joint control and associates.
Entities are considered to be companies subject to joint control if control is contractually shared between the Group and one or more other parties, or where the decisions about the relevant activities require the unanimous consent from all parties sharing control.
Companies are considered subject to significant influence (associates) when the Group holds 20% or more of the voting rights (including “potential” voting rights) or if it – with a lower equity stake – has the power of participating in the determination of financial and management policies of the company based on specific juridical relations, such as the participation in voting syndicates.
Certain companies in which the Group holds a stake exceeding 20% are not considered subject to significant influence since it solely has economic rights on a portion of the returns generated by the investment, but does not have access to management policies and may exercise governance rights limited to the safeguarding of its economic interests.

The investments in associates and companies subject to joint control are measured at cost and accounted for according to the equity method. If there is evidence of impairment, the recoverable amount of the investment is estimated, considering the present value of the future cash flows which may be generated by the investment, including the final disposal value.
If the recoverable amount is lower than the carrying value, the difference is recorded in the income statement.

If the reasons for impairment are no longer applicable following an event subsequent to the registration of impairment, recoveries are recorded in the income statement.

Derecognition criteria
The investments in associates and companies subject to joint control are derecognised when the contractual rights to the cash flows from the assets expire or when the investment is sold, substantially transferring all the risks and rewards connected to the assets.

6. Property and equipment

Classification criteria
Property and equipment include land, owner-occupied property, investment property, valuable art assets, technical plants, furniture and fittings and any type of equipment that are expected to be used during more than one period.
Property and equipment held for use in the production or supply of goods and services are classified as "Property and equipment used in operations", in accordance with IAS 16. Real estate owned for investment purposes (to obtain rental income or gains on the capital invested) is classified as "Investment property" based on IAS 40.
This caption also includes property and equipment classified in accordance with IAS 2 - Inventories, which refer both to assets resulting from the enforcement of guarantees or from purchase at auction that the company intends to sell in the near future, without carrying out major renovation work, and which do not meet the requirements for classification in the previous categories, and to the real estate portfolio of the Group's real estate companies, including building sites, properties under construction, properties completed for sale and real estate development initiatives, held for sale.
Finally, this caption also includes the rights of use acquired through leases and relating to the use of an item of property and equipment (for the lessee companies) and the assets leased under operating leases (for the lessor companies).

Recognition criteria
Property and equipment are initially measured at cost which comprises in addition to their purchase price any costs directly attributable to the purchase and required for them to be operational.
Extraordinary maintenance expenses which lead to a rise in future economic benefits are attributed to increase the value of assets, while other ordinary maintenance costs are recorded in the income statement.

Measurement criteria
Property and equipment are measured at cost, net of depreciation and impairment losses, except for owner-occupied properties and valuable art assets, which are measured according to the revaluation model.
The investment properties are measured with the fair value method.

For the property and equipment subject to assessment according to the revaluation model:
– if the carrying value of an asset is increased following a revaluation, the increase must be recognised in the Statement of comprehensive income and accumulated in the shareholders' equity under the caption revaluation reserve; conversely, in the case where an impairment loss on the same asset recognised previously in the income statement is recovered, it must be recognised as income;
– if the carrying value of an asset is decreased following the revaluation, the decrease must be recognised in the Statement of comprehensive income to the extent in which there are possible credit balances in the revaluation reserve referring to this asset; otherwise, this reduction is recorded in the Income statement.

Property and equipment are systematically depreciated, adopting the straight-line method over their useful life. The depreciable amount is the cost of the goods (or the net value recalculated if the method adopted for the valuation is the revaluation model) net of the residual value at the end of the depreciation period, if significant. Buildings are depreciated for a portion deemed to be suitable to represent their deterioration over time following their use, considering extraordinary maintenance expenses, which are recognised in the carrying value of the assets. In order to determine the useful life of the various types of assets and the corresponding depreciation rates, the Group's real estate assets have been divided into four clusters: (i) Historical and particularly prestigious properties (useful life of 65 years), (ii) Entire buildings (useful life of 33 years), (iii) Banking branches (useful life of 20 years) and (iv) Other properties (useful life of 20 years). These clusters do not include the New Intesa Sanpaolo Headquarters in Turin, for which the useful life was estimated through a specific analysis which considered the peculiar architectural features of the building. Other property and equipment is depreciated based on the following useful lives: furniture from 5 to 10 years, plants from 4 to 10 years, hardware and IT equipment for a period from 4 to 8 years and, lastly, other assets from 3 to 13 years.

The following are not depreciated:
– land, irrespective of whether acquired individually or embedded in the value of buildings, since it has an indefinite useful life;
– the valuable art assets, the other historical, artistic and decorative assets, since their useful life cannot be estimated and their value is normally destined to increase over time;
– the investment properties, as required by IAS 40, are measured at fair value through profit or loss and therefore they must not be depreciated.

If there is some evidence that property and equipment measured at cost may have been impaired, the carrying amount of the asset and its recoverable amount are compared. Any impairment losses are recorded in the income statement.
If the reasons for impairment cease to exist, a value recovery is recorded and may not exceed the value that the asset would have had, net of depreciation, determined in the absence of previous impairment losses.

With regard to the property and equipment recognised in accordance with IAS 2, these are measured at the lesser of cost and net realisable value, without prejudice to the comparison between the asset's carrying amount and its recoverable amount where there is an indication that the asset may have been impaired. Any impairment losses are recorded in the income statement.

Property and equipment consisting of the right-of-use of assets subject to leases

According to IFRS 16, a lease is a contract or part of a contract that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

According to IFRS 16, leases are accounted for on the basis of the right of use model, where, at the initial date, the lessee has a financial obligation to make payments due to the lessor to compensate for its right of use of the underlying asset during the lease term.
When the asset is made available to the lessee for use (initial date), the lessee recognises both the liability and the asset consisting of the right of use.
In particular, the right of use acquired with a lease is measured as the sum of the present value of the future payments over the term of the contract, the lease payments made at or before the commencement date, the lease incentives received, if any, the initial direct costs and any estimated costs of dismantling or restoring the underlying asset.
The financial liability recognised corresponds to the present value of the payments to be made for the lease.

With regard to the discount rate, based on the requirements of IFRS 16, the Group uses the implicit interest rate for each lease contract, when it is available. For leases from the lessee's point of view, in some cases, for example for rental agreements, the implicit interest rate cannot always be readily determined without using estimates and assumptions (the lessee does not have enough information about the unguaranteed residual value of the leased asset). In these cases, the Group has developed a methodology for setting the incremental interest rate as an alternative to the implicit interest rate and has decided to adopt the Funds Transfer Pricing (FTP) method. This is based on an unsecured and amortising rate curve, which envisages lease payments for the lease contract that are typically constant over the lease term, rather than a single payment upon maturity. The FTP method takes into account the creditworthiness of the lessee, the term of the lease, as well as the economic environment in which the transaction takes place and is therefore in line with the requirements of the standard.

The lease term is determined taking into account:
– periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option;
– periods covered by an option to terminate the lease if the lessee is reasonably certain to exercise that option.

During the course of the lease term a lessee shall:
– measure the right-of-use at cost less accumulated depreciation and accumulated impairment losses determined and recognised based on the provisions of IAS 36 "Impairment of assets", adjusted to take account of any remeasurement of the lease liability;
– increase the liability arising from the lease following the accrual of interest expense calculated at the interest rate implicit in the lease or alternatively at the incremental borrowing rate, and decrease it for payments of principal and interest made.

If changes are made to the lease payments, then the lease liability must be remeasured and the impact of the remeasurement of the liability is recognised against the right-of-use asset.

Derecognition criteria
Property and equipment are derecognised from the balance sheet on disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from its disposal.

7. Intangible assets

Classification criteria
Intangible assets consist of goodwill and other intangible assets governed by IAS 38. They may include the rights of use acquired under a lease and relating to the use of an intangible asset (for lessees) and assets leased under an operating lease (for lessors).
Intangible assets are recognised as such if they may be identified and stem from legal or contractual rights. Intangible assets include goodwill, which represents the positive difference between purchase price and fair value of assets and liabilities pertaining to the acquired company.

Recognition and measurement criteria
Intangible assets are recognised at cost, adjusted for any accessory charges only if it is probable that the future economic benefits attributable to the assets will be realised and if the cost of the asset may be reliably determined. If this is not the case, the cost of the intangible asset is recorded in the income statement in the year in which it was incurred.
For assets with finite useful life, the cost is amortised on a straight-line basis or in decreasing portions determined on the basis of the economic benefits expected from the asset. Assets with indefinite useful life are not subject to systematic amortisation, but are periodically subjected to impairment testing.
If there is any indication that an asset may have suffered impairment losses, the asset's recoverable amount is estimated. The impairment loss, which is recorded in the income statement, is equal to the difference between the carrying value of the assets and the recoverable amount.

In particular, intangible assets include:
– technology-related intangible assets, such as software applications, which are amortised mainly on the basis of their expected technological obsolescence or, if lower, their expected use, and in any case generally no longer than a period of seven years. An exception are the core banking system platforms, whose useful life is estimated on a case-by-case basis, and, as a result, amortised over longer periods (from 10 to 15 years). Moreover, the costs incurred for the development of software are considered as intangible assets and are recognised under assets only when all the following conditions are met: i) the cost attributable to the intangible asset during its development can be measured reliably, ii) there is the intention, the availability of financial resources and the technical ability of making the intangible asset available for use or sale, iii) the future economic benefits to be generated by the asset can be demonstrated. Software development capitalised costs only comprise the costs directly attributable to the development process. Capitalised software development costs are amortised systematically over the estimated useful life of the relevant product/service so as to reflect the pattern in which the asset's future economic benefits are expected to be consumed by the entity from the beginning of production over the product's estimated life;
– customer-related intangibles mainly represented, in business combinations, by asset management relations, non-financial activities related to provision of services and insurance portfolios classified as investments. Such assets, with a finite life, are originally measured by the discounting, using a rate representing the time value of money and the asset's specific risks, of the income margins on the ongoing relations at the time of the business combination over a period which expresses their residual, contractual or estimated life. For asset management relations and non-financial activities related to provision of services, they are amortised on a straight-line basis over the period of greater significance of the expected economic benefits in case of relations which do not have a predetermined duration and, for relations from insurance products classified as investments, generally in decreasing portions corresponding to the duration of the contract in case of relations with predetermined expiry (residual lives of the policies);
– marketing-related intangibles represented by the measurement of the brand name which is also recorded at the time of business combinations. This asset is considered as having indefinite life since it is deemed to contribute for an indefinite period of time to the formation of income flows.

Lastly, intangible assets include goodwill.
With respect to business combinations, goodwill may be recorded when the positive difference between the consideration transferred and the fair value recognition, if any, of minority interests, and the fair value of shareholders' equity acquired is representative of the future income-generation potential of the equity investment.
If this difference is negative (negative goodwill) or if goodwill may not be attributed considering future income-generation potential of the equity investments, the same difference is directly recorded in the income statement.
Once a year (or every time that there is evidence of impairment losses), an impairment test is carried out for goodwill. This requires the identification of the Cash Generating Unit (or CGU) to which goodwill is allocated. The cash-generating units of the Intesa Sanpaolo Group correspond to the operating divisions presented in segment reporting. Any impairment losses are determined on the basis of the difference between the recognition value of goodwill and its recoverable amount, if lower. The recoverable amount is equal to the higher between the fair value of the cash-generating unit, less any cost to sell, and the relative value in use. The consequent adjustments are posted in the income statement.
With regard to the intangible asset represented by the brand name, if the reference CGU does not have any goodwill allocated, then an independent and specific valuation is made of the intangible on the basis of the fair value certified by the appraisal of an independent expert. If the fair value of the brand name is not higher than its carrying amount, the recoverable amount of the CGU is estimated, calculated based on future cash flows.

It is also noted that, where a CGU which is allocated both goodwill and a brand name has a value in use lower than the carrying amount, by an amount that exceeds the total value of the intangibles with indefinite life allocated, without prejudice to the full write-down of goodwill, an autonomous valuation of the brand name is carried out based on the fair value stated in the specific appraisal.

Derecognition criteria
Intangible assets are derecognised from the balance sheet on disposal and if no future economic benefits are expected.

8. Other assets
Other assets essentially consist of items awaiting classification and items not attributable to the other balance-sheet captions, including receivables arising from the supply of goods and non-financial services, sundry tax items other than those recognised in their own caption (e.g., connected to withholding agent activities), gold, silver and precious metal, the tax credits connected with the "Cura Italia" and "Rilancio" Decree Laws and accrued income other than that capitalised on the related financial assets, including the income resulting from contracts with customers in accordance with IFRS 15, paragraphs 116 and following. As required by paragraphs 91 and following of IFRS 15, the costs incurred for the acquisition and fulfilment of long-term contracts with customers are capitalised and amortised when they are incremental and are expected to be recovered.

9. Non-current assets held for sale and discontinued operations and Liabilities associated with non-current assets held for sale and discontinued operations

Non-current assets/liabilities for which a disposal process has commenced and for which disposal is deemed to be extremely probable are recorded in assets under Non-current assets held for sale and discontinued operations and in liabilities under Liabilities associated with non-current assets held for sale and discontinued operations. These assets/liabilities are measured at the lower of the carrying amount and fair value less cost to sell, except for some type of assets (e.g., financial assets within the scope of IFRS 9) for which IFRS 5 specifically establishes that the measurement principles of the applicable accounting standard must be used. The assets that are subject to amortisation/depreciation under the IAS/IFRS are no longer amortised/depreciated when they are classified under non-current assets held for sale and discontinued operations.
Non-current assets held for sale and discontinued operations may include portfolios of assets for which there are no prices in an active market. In such case, where an agreement has been reached with the purchaser, they are measured at fair value by referring to the sale prices resulting from that agreement. Where there is no agreement, they are measured using specific valuation techniques based on the asset and, where necessary, by employing external fairness opinions.
The income and charges (net of tax effect) attributable to non-current assets held for sale and discontinued operations or recorded as such in the year are recognised in the income statement in a separate caption.

10. Current and deferred tax

Taxes on income[355], calculated according to domestic tax regulations, are accounted for as a cost on an accruals basis, in line with the method followed to include, in the financial statements, the costs and income that generated them. Therefore, they represent the balance of current and deferred income taxes[356] for the year. Current tax assets and liabilities include the balances of the Group companies due to the relevant Italian and foreign tax authorities relating to direct taxation. More specifically, these captions include the net balance of tax liabilities from previous years and the current year, calculated on the basis of a prudent estimate of the tax charges due for the year, assessed according to the tax regulations currently in force, and the current tax assets represented by advances, by withholding taxes borne or other tax credits. The risk inherent in such proceedings and the risks inherent in proceedings where preliminary disbursements have not been requested are evaluated in applying the principles contained in IAS 37 regarding the best estimate of the economic resources required.
Considering the Group's adoption of the national fiscal consolidation provisions, tax positions which may be referred to the Italian Group companies are managed separately from an administrative standpoint.
Deferred taxation is calculated according to the balance sheet liability method, taking into account the tax effect of the temporary differences between the book value of the assets and liabilities and their value for taxation purposes, which will determine taxable income or deductible amounts in the future. To this end, "taxable temporary differences" are differences which will give rise to taxable income in future years while "deductible temporary differences" are those which will give rise to deductible amounts in future years.
Deferred tax liabilities are calculated by applying the tax rates currently in force to taxable temporary differences that are likely to generate a tax burden, and to the deductible temporary differences for which it is likely that there will be future taxable amounts at the time when the related tax deductibility occurs (so-called probability test). Deferred tax assets and liabilities related to the same tax and due in the same period are offset.
If deferred tax assets and liabilities refer to items affecting the Income statement, the balancing entry is represented by taxes on income.
Where deferred tax assets and liabilities relate to transactions that have been recorded in shareholders' equity without affecting earnings (such as adjustments on IAS/IFRS first-time adoption, measurements of financial assets recognised at fair value through other comprehensive income or of cash flow hedge derivative contracts), the balancing entry is made in shareholders' equity, under specific reserves where so provided (e.g. valuation reserves).
No provision is made for reserves subject to latent taxation only in the event of distribution, since the size of the available reserves which have already been taxed leads to the belief that no transactions will be undertaken which may cause taxation of the untaxed reserves.
Deferred tax liabilities referred to Italian companies included in the fiscal consolidation are reported in their financial statements, in application of the accrual basis principle and in consideration of the fact that the effects of fiscal consolidation are limited to the settlement of current tax positions.
Latent taxation on shareholders' equity items of consolidated companies is not recorded in the financial statements if it is unlikely that any tax liability will actually arise, also bearing in mind the permanent nature of the investment.

[355] Pursuant to IAS 12, taxes on income also include those relating to the tax laws that implement the Global Minimum Tax.

[356] With respect to deferred taxation, it is noted that, under IAS 12, deferred tax assets and liabilities relating to taxes on income under the so-called Global Minimum Tax are not to be recognised or disclosed.

11. Allowances for risks and charges

Allowances for risks and charges for commitments and guarantees given
This sub-caption of the allowances for risks and charges contains the allowances for credit risk recognised for loan commitments and guarantees given that come under the scope of the IFRS 9 impairment rules. For these cases, in general, the methods described for financial assets measured at amortised cost or at fair value through other comprehensive income are adopted for the assignment to the three credit risk stages and the calculation of the expected credit loss.
This aggregate also includes allowances for risks and charges made to cover other types of commitments and guarantees given that, due to their specific characteristics, do not fall under the scope of impairment pursuant to IFRS 9.

Post-employment benefits
Company post-employment benefits are based on agreements and qualify as defined benefit plans. Liabilities related to such plans and the relative cost of current service are determined on the basis of actuarial assumptions based on the Projected Unit Credit Method. This method sets out that future obligations are forecast using past time-series analyses and the demographic curve and that such future cash flows are discounted based on a market interest rate. The provisions made in each year of service are considered separately and give rise to an additional unit of benefit entitlement for the purposes of the final obligation. The discounting rate is determined on the basis of market returns, surveyed as at the date of measurement, on high-quality corporate bonds, taking account of the residual average life of the liability. The present value of the liability at the reporting date is also adjusted by the fair value of any plan assets.

Actuarial profits and losses (namely the changes in the current value of the obligation resulting from changes in the actuarial assumptions and adjustments based on past experience) are recognised in the statement of comprehensive income.

Other allowances
Other allowances for risks and charges record provisions related to legal obligations or connected to labour relationships or to litigations, also of a fiscal nature, originating from a past event for which a disbursement will probably arise to settle the obligations, provided that the amount of the disbursement may be estimated reliably.
Consequently, a provision is recognised when, and only when:
– there is a present obligation (legal or constructive) as a result of a past event;
– it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
– a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date and takes into account the risks and uncertainties that inevitably surround many events and circumstances. Where time value is significant, provisions are discounted using current market rates. Provisions and increases due to time value are recorded in the income statement.
If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation or when the obligation is settled, the provision should be reversed.
The caption also includes long-term benefits to employees, whose charges are determined with the same actuarial criteria described for post-employment benefits. Actuarial profits and losses are all immediately recognised in the income statement.

12. Financial liabilities measured at amortised cost

Classification criteria
Amounts Due to banks, Due to customers and Securities issued include various forms of funding on the interbank market and with customers, repurchase agreements with commitment to repurchase and funding via certificates of deposit, bonds issued and other funding instruments in circulation, net of any amounts repurchased.
It also includes the payables recorded by the entity in the capacity of lessee in lease transactions.

Recognition criteria
Initial recognition of these financial liabilities occurs at the date of subscription of the contract, which usually coincides with the time of collection of the sums deposited or the issue of debt securities.
Initial recognition is based on the fair value of the liabilities, normally equal to the amount collected or the issue price, increased by any additional charges/revenues directly attributable to the single funding or issuing transaction. Internal administrative costs are excluded.
Lease payables are recognised at the present value of the future lease payments, discounted using the implicit interest rate of the transaction or, where it cannot be determined, the marginal financing rate.

Measurement criteria
After initial recognition, financial liabilities are measured at amortised cost with the effective interest method.
An exception is made for short-term liabilities, where time value is immaterial, which are stated at collected amount.
Lease payables are remeasured when there is a lease modification (e.g. a change in the contract which is not accounted for/considered as a separate contract); the effect of the remeasurement will be a corresponding adjustment to the right-of-use asset.

Derecognition criteria
Financial liabilities are derecognised from the balance sheet when they have expired or extinguished. Derecognition also occurs for repurchase of previously-issued bonds. The difference between book value of the liability and amount paid for repurchase is recorded in the income statement.
Placement of own securities, after their repurchase, is considered a new issue with recognition at the new placement price.

13. Financial liabilities held for trading

Recognition criteria
These financial instruments are recognised at the subscription or issue date at the fair value of the instrument, without taking into account directly attributable transaction costs or revenues.
This liability category includes, in particular, the negative fair value of trading derivatives, as well as embedded derivatives with a negative fair value separated from liabilities measured at amortised cost.
It also includes liabilities determined by short selling generated by trading of securities and certificates forming part of the trading business model.

Measurement criteria
All financial liabilities held for trading are measured at fair value through profit or loss.

Derecognition criteria
Financial liabilities held for trading are derecognised when the contractual rights to the related cash flows expire or when the financial liability is disposed of with the substantial transfer of all the risks and rewards connected to it.

14. Financial liabilities designated at fair value

Classification criteria
Financial liabilities designated at fair value are recorded under this caption, on the basis of the fair value option given to companies by IFRS 9 and in compliance with the cases contemplated in the reference regulations.
With reference to the financial liabilities of the subsidiary insurance companies, which do not fall within the scope of application of IFRS 17, the Group has availed itself of the possibility of designating as fair value liabilities products of a financial nature without a significant insurance risk and which are not included in separate management and therefore do not provide elements of discretionary participation features. Investments relating to these forms of funding, as already set out above, are also measured at fair value through profit or loss as they are managed according to an "Other" Business Model.

This category of liabilities also includes certificates included in the banking book business model.

Recognition criteria
These liabilities are recorded at fair value as at the date of issue, including the value of any embedded derivatives, net of placement fees paid.

Measurement criteria
These liabilities are measured at fair value according to the following rules established by IFRS 9:
– changes in fair value attributable to changes in own credit risk must be recognised in the statement of comprehensive income (shareholders' equity);
– the remaining changes in fair value must be recognised in the income statement.

The amounts recognised in the statement of comprehensive income are not subsequently recycled to the income statement. This method of accounting must not be applied when recognition of the effects of own credit risk on shareholders' equity results in or accentuates an accounting mismatch in the income statement. In this case, gains and losses associated with the liability, including those resulting from changes in own credit risk, must be recognised in the income statement.

Derecognition criteria
The financial liabilities designated at fair value are derecognised when the contractual rights to the related cash flows expire or when the financial liability is disposed with the substantial transfer of all the risks and rewards connected to it.

15. Foreign currency transactions

Definition
The foreign currency is a currency that is not the functional currency of the entity, which is in turn the currency of the primary economic environment in which the entity operates.

Initial recognition
Foreign currency transactions are recorded, on initial recognition, in the functional currency, by applying to the foreign currency amount the spot exchange rate at the date of the transaction.

Subsequent measurement
At every close of annual or interim financial statements, captions in foreign currency are measured as follows:
– foreign currency monetary items are translated using the closing rate;
– non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction;
– non-monetary items that are measured at fair value in a foreign currency are translated using the closing rates.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised through profit or loss in the period in which they arise.
When a gain or loss on a non-monetary item is recognised directly in equity, any exchange component of that gain or loss is recognised directly in equity. Conversely, when a gain or loss on a non-monetary item is recognised through profit or loss, any exchange component of that gain or loss is recognised through profit or loss.

With regard to the "Conversion of financial statements in currencies other than the euro" for the purposes of consolidation and accounting for the related foreign exchange differences, reference is made to the specific paragraph of Part A: Section 3 - Scope of consolidation and consolidation methods of these Notes to the consolidated financial statements.

16. Insurance assets and liabilities

Classification criteria

This category contains the insurance assets and liabilities within the scope of application of IFRS 17 Insurance Contracts.
Specifically, the caption insurance liabilities presents the liabilities recognised by the Group for contracts for which insurance risk is deemed significant and which include: temporary class I life policies and income and mixed policies with guaranteed fixed conversion rates at the time of issue, and certain types of unit-linked policies, insurance pension funds and damage cover, as well as reinsurance components.
This caption also includes liabilities recognised for investment products that entail discretionary participation features (separate management schemes) as well as mixed class I products and class V capitalisation policies.
Note that the financial products issued by insurance companies that do not have significant insurance risk and no not provide for discretionary participation features are recognised in the financial statements as financial liabilities and accounted for pursuant to IFRS 9. Specifically, the Group measures those products at fair value, exercising the option provided by the standards (Fair Value Option) to avoid accounting mismatches with the correlated investments measured at fair value. These financial products substantially include unit-linked policies without extra return clauses.
Their classification as assets or liabilities is based on the net balance of the portfolio the contracts belong to. Generically, the insurance contracts present a balance payable (insurance liabilities) while reinsurance contracts present a balance receivable (insurance assets).

Recognition criteria

When the contract is signed with the policyholder, a liability is recognised whose amount represents the sum of the present value of all of the expected contractual cash flows (Present value of future cash flows), discounted and also including an appropriate Risk Adjustment (for non-financial risks) and the Contractual Service Margin which represents the present value of the future profits.
Contracts are recognised by groups (units of account), not contract by contract. In order to identify the units of account, the contracts issued are firstly divided into “portfolios”, or groups of contracts with similar risks, which are managed as a unit. Each portfolio is then divided into profitability buckets, distinguishing between onerous contracts at the time of initial recognition, contracts which have no significant possibility of becoming onerous at the time of initial recognition and groups composed of other contracts in the portfolio. A specific test is conducted to define the profitability classes (onerousness test).
Lastly, groups of contracts shall not contain contracts issued more than 12 months previously (grouping by “cohorts”), with the exception of contracts linked to separate management schemes, for which the European Commission’s endorsement of IFRS 17 provided the option to depart from that requirement (carve-out).
The Intesa Sanpaolo Group aggregates the contracts belonging to the Non-Life Business based on the Solvency II Line of Business (“LoB”) they belong to. For the Life Business, groups of contracts are aggregated for products included in the same Separate Management, for Multi-management products in the same combination of Separate Management, Multi-Line products linked to the same Separate Management, Unit-Linked products, products linked to Pension Funds and pure risk products (e.g. temporary life policies).
With regard to contracts relating to Multi-Line products or linked to one or more Separate Management schemes, the Group exercises the option not to apply the Annual Cohort requirement (so-called “carve-out”), as allowed in the IFRS 17 Endorsement Regulation at European level, and therefore aggregates these types of contracts only based on the concept of sharing similar risks and uniform management as well as belonging to the same profitability bucket.
Contract boundaries are the expected cash flows to be considered when projecting the cash flows of an insurance contract. The determination of the contract boundaries is used to establish whether a particular contractual option is to be included in the cash-flow projection as soon as the contract is issued or whether the exercise of that option will result in the generation of a new group of contracts. The IFRS 17 contract boundaries include all the contractual options that establish the predetermined exercise conditions in terms of pricing, already at the time when the contracts are issued. If the exercise of the option does not have conditions predetermined upon issue and the conditions are only defined at a later date or at the time of exercise by the policyholder, they are not included in the IFRS 17 contract boundaries and are not projected in the cash flows of the host contract; the exercise of the option generates a group of contracts different from that of the host contract.

Measurement criteria

IFRS 17 requires the measurement of insurance liabilities (or assets if of opposite sign) based on up-to-date information that reflects the conditions existing at the measurement date.
Specifically, the standard sets out:

– a reference accounting model (General Model) used for life insurance contracts without contractual links to other assets and liabilities (life policy products and credit protection insurance) and for long-term non-life contracts ineligible for the simplified model;
– a model that modifies the General Model called the Variable Fee Approach, which is mandatory for measuring certain specific types of liabilities (for example, contracts linked to separate management schemes or Unit-Linked products);
– an optional simplified approach called the Premium Allocation Approach.

For the General Model and the Variable Fee Approach, the standard requires, at the initial measurement date, the measurement of a group of contracts as the sum of the expected contractual cash flows (Present value future cash flow), a risk adjustment – a liability that reflects the uncertainty of cash flows due to non-financial risks – and the Contractual Service Margin, which represents the unaccrued profits that the entity will recognise gradually as it provides the service provided for by the group of insurance contracts.

Insurance liabilities comprise:
– the liability for remaining coverage (LRC): this is the liability related to the hedged event and consists of the sum of the expected contractual cash flows (Present value future cash flows), the Risk Adjustment and the Contractual Service Margin;
– the liability for incurred claims (LIC): this is the liability representing events that have already occurred and is composed of the sum of the related expected contractual cash flows (Present value future cash flows) and Risk Adjustment.

To determine the expected cash flows, all flows directly linked to the performance of the insurance contracts are considered. Because the insurance products in the Intesa Sanpaolo Group are mainly distributed by Group companies other than those in the Insurance Division, to quantify the cash flows and thus, the Contractual Service Margin at consolidated level, only the real costs incurred by the Group due to third parties are considered.

Following initial recognition, the carrying amount of a group of insurance contracts at each reporting date must be revised based on the most up-to-date assumptions, both operational (i.e. costs of claims, expenses) and financial (i.e. interest rate).
At each accounting closing it is thus necessary to update the balances of the present value of future cash flows and the risk adjustment. In this context, the General Model of measurement envisages the following:
– the update of the present value of future cash flows or the risk adjustment attributable to operational assumptions (i.e. the update to the estimated future claims) is recorded as an offsetting entry to the contractual service margin (i.e. a reduction in the present value of future cash flows due to a decrease in expected claims is recorded as an increase in the contractual service margin);
– the update of the present value of future cash flows or the risk adjustment attributable to financial changes (i.e. the update to the interest rate) is recognised, instead, in the income statement (i.e. as a reduction in the present value of future cash flows due to an increase in the discount rate is recognised in the income statement).

Once the changes attributable to operational assumptions of the expected contractual cash flows and the risk adjustments have been applied, the Contractual Service Margin for the insurance service provided during the period is released to the income statement. The release method follows the service provided over the term of the contract (coverage unit), which the Group calculates using the projected and discounted insured amounts for the life business and the earned premiums for the non-life business.
With respect to the Life business products measured under the Variable Fee Approach, in addition to the release of the Contractual Service Margin calculated using the Coverage Units, there is the release of the Systematic Economic Variance (ESR) which is equal to the difference between the prospective period-end Contractual Service Margin before the release under the Real World assumption and the prospective period-end Contractual Service Margin before the release under the Risk Neutral assumption.
For groups of onerous contracts, the standard requires that the overall estimated loss over the entire life of the policies be immediately recognised in the income statement.
The differences between the expected cash flows for the period and the corresponding actual figure also contribute to the adjustment of the Contractual Service Margin. In particular, with respect to the benefits provided by the contracts, the following must be calculated:
– the actual/expected difference relating to the non-distinct investment component (amounts that are paid to the holder of the contract in all circumstances, net of any components relating to insurance risks), which was identified for all products in portfolio with reference to the surrender value payable by the Company at the request of the holder of the contract, net of any penalties;
– the actual / expected difference relating to the premiums paid by the holder of the contract and related commissions, with reference only to the component relating to future services.

For insurance contracts with direct participation features (life products whose value is influenced by the underlying assets), the standard requires the mandatory application of a modified version of the General Model called the Variable Fee Approach. A contract has direct participating features if its terms and conditions envisage that:
– the policyholder obtains returns linked to a clearly identified group of underlying items;
– the entity expects to pay out a substantial share of the fair value returns on the underlying assets;
– a substantial proportion of the cash flows that the issuer expects to pay the policyholder will vary with the change in the fair value of the underlying assets.

The Variable Fee Approach has the same rules of initial recognition as the General Model, but provides several variants on the changes in subsequent measurements.
Under the Variable Fee Approach, the contractual service margin includes, in addition to that set out in the General Model, the financial profits pertaining to the Group deriving from the management of the assets underlying contracts measured using the Variable Fee Approach.
To determine whether discretionary participation features are significant, the Group performs both a qualitative and quantitative test to verify the requirements. Within the Insurance Division's products, all the linked insurance contracts and pension funds and all the contracts linked to a separate management, both individual and Multi-Line, are measured using the Variable Fee Approach.

Lastly, IFRS 17 requires the application of the Premium Allocation Approach to simplify the measurement of a group of insurance contracts if the coverage period of each contract in the group (including the insurance services deriving from all premiums included within the contractual limit) does not exceed 12 months or if the application of that approach does not provide results that deviate significantly from the application of the General Model.
That approach does not require the identification of the single components of liabilities for future coverage (present value of future cash flows, risk adjustment and contractual service margin) but the identification of an "overall" insurance liability. The Intesa Sanpaolo Group applies this approach solely to the Non-Life Business, with the general rule being to use the Premium Allocation Approach for insurance policies with a duration of one year or less.

In some cases, the interaction between IFRS 17 and IFRS 9 may generate mismatches between the way insurance contracts and related financial assets are accounted for. In order to reduce these mismatches, IFRS 17 allows for a disaggregation of financial income and expenses from insurance contracts between the profit or loss (financial result) and the statement of comprehensive income.
The decision to carry out disaggregation is made for groups of contracts in applying IFRS 17 with the following methods:
– with regard to contracts valued using the General Model and the Premium Allocation Approach, the financial revaluation of future cash flows and risk adjustment at historical rates is recognised through profit or loss, while the difference between the revaluation at historical and current rates is recognised through other comprehensive income;
– for contracts valued under the Variable Fee Approach, IFRS 17 requires the financial result of insurance contracts to be disaggregated between profit or loss and other comprehensive income. In essence, the difference between the financial result of insurance contracts and the financial result through profit or loss arising from the underlying financial instruments is reclassified to other comprehensive income (mirroring).

In line with the decisions to classify the securities under assets to cover the insurance products, and to reduce potential accounting mismatches, the Intesa Sanpaolo Group adopts the disaggregation illustrated above (also known as the "OCI option") on all portfolios of insurance contracts, except those relating to unit-linked policies not linked to multi-line products or open pension funds.

Modification and derecognition criteria

Under IFRS 17, an insurance contract is derecognised when, and only when, the contract is extinguished, i.e., when the specific obligation in the insurance contract has expired or has been fulfilled or eliminated.

Moreover, following contractual modifications (agreed between the parties or due to changes in regulations) that reflect at least one of the following conditions:
– the modified contract would have been excluded from the scope of application of IFRS 17 if the modified terms had been included in the contract on initial recognition; the separation of the different components, bringing a different contract to be measured under IFRS 17; or a substantially different "contract boundary" or the assignment of a different group of contracts;
– the original contract meets the definition of insurance contract with direct participation features, but the modified contract no longer does, and vice versa;
– the original contract is measured using the simplified approach or the premium allocation approach, but the modified contract no longer meets the eligibility criteria to be measured using this approach.

IFRS 17 requires that the original contract be derecognised and the new contract be recognised. Conversely, if the contractual modifications meet none of the conditions listed above, they shall be treated as changes in the measurement assumptions of the present value of future cash flows and, as a result, shall modify the previously calculated risk adjustment and contractual service margin.

Use of estimates to determine the insurance liabilities pursuant to IFRS 17

Discount rate

In accordance with IFRS 17, the Intesa Sanpaolo Group defined a methodology for calculating discount rates for the measurement of insurance contracts.
Specifically, the Intesa Sanpaolo Group follows a bottom-up approach, defining a discount rate structure that includes both risk-free interest rates and an adjustment to reflect the illiquid nature of insurance products.
In order to determine the risk-free interest rate structure, the Group first observes the market data on interest rates that are deemed sufficiently liquid. At present, the Intesa Sanpaolo Group considers sufficiently liquid the swap rate observations up to the 20-year maturity (LLP or Last Liquid Point). In order to ensure the use of a risk-free structure, the Group subsequently excludes the credit risk component from the valuation of swap rates, which is quantified (similarly to EIOPA) through the calculation of credit risk adjustment (CRA).
The risk-free rates calculated accordingly as swaps less CRA are extrapolated beyond the LLP, using specific market methodologies, also defining a risk-free interest rate on long maturities of the curve (60y), assessed by also considering inflation expectations[357].
On the other hand, with respect to the liquidity premium to be added to the risk-free rates calculated accordingly, the Intesa Sanpaolo Group first defines, for each insurance contract to be valued, the appropriate reference asset portfolio to calculate this premium. The Group elected to use the following reference portfolios for the different types of insurance contracts:
– for contracts relating to the non-life business, the asset portfolio of the company is used;
– for contracts relating to the life unit-linked business and pension funds, the company's total portfolio of assets relating to the unit-linked business and pension funds is used;
– for contracts relating to the traditional life business (separate management) or multi-line business, the investment portfolio of separate management to which the product is linked is used.

After identifying the reference asset portfolio, the Group calculates the average liquidity premium of the assets in the portfolio, equal to the difference between the spread observable at the measurement date for each asset and its probability of default. The default component is deducted in line with the provisions of IFRS 17 on credit risk correction.

[357] The Group's elections, both for the interest rate liquidity analysis component, the CRA adjustment and the extrapolation of long-term rates, are in line with the provisions of IFRS 17 on the definition of the risk free rate structure and the insurance practice.

Estimates of future cash flows for the performance of insurance contracts

Future cash flows represent future liabilities that the insurance company posts to cover its commitments regarding insurance business. These include cash flows to insured parties weighted by their probability of occurrence, including forward-looking returns on insurance products and expenses to be incurred to support the business in force.

Life business cash flows are calculated using the actuarial engine, based on future cash flow projection methods similar to those defined under Solvency II, with a higher level of granularity compared to the Unit of Account, in order to achieve an estimation level as close to reality as possible. 200 scenarios were used for stochastic processing.
Management of the assets belonging to separate management schemes, used for projection purposes and implemented in the actuarial engine, is defined as Future Management Measures (FMG). These include, inter alia: the target return of the separate management scheme, strategic asset allocation, reinvestment/disposal policies, risk mitigation strategies and commercial actions.

With respect to the Non-Life business, the future cash flows relating to the liability for incurred claims (LIC) are calculated without distinguishing between the different components included in the calculation (i.e., there is no need for a break down into the different components relating to claims, incurred but not reported, external settlement costs, etc.).
With respect to the future cash flows relating to the liability for remaining coverage (LRC) measured using the General Model, the calculation is based on the definition of future cash flows under Solvency II, duly adjusted to reflect any differences with respect to the scope of the future cash flows to be considered (i.e., contract boundary) and the granularity required by IFRS 17.
The calculation of the liability for remaining coverage measured using the Premium Allocation Approach does not require future projections and is based on the simplified method envisaged by the standard.

To estimate the expected future cash flows within the scope of each group of contracts, the Group applies the following criteria:
– incorporating all available information obtained in a reasonable and justifiable manner, without superfluous costs or efforts, with regard to the amount, timing and uncertainty of the cash flows;
– maintaining consistency of the estimate of any market variables with the corresponding values observable on the market for those variables;
– reflecting the conditions existing at each measurement date, i.e. the estimate is based on current information, updated for each reporting period.

Specifically, the accounting standard defines non-financial variables (so-called operational assumptions) as all variables that cannot be observed or derived directly from markets.
The operational assumptions mainly affect:
– the exercise by the insured parties of contractual options that modify the nature of the terms of the contract and the resulting cash flows (such as the conversion option);
– the frequency and amount of insured events (such as the operational mortality factor);
– the technical assumptions relating to non-life business (such as the definition of the loss ratio, the expense ratio, early termination rates with and without premium reimbursement, claim run-off rates).

Where cash flows contain financial guarantees and contractual options (which do not change symmetrically with market charges), the methodology adopted by the Intesa Sanpaolo Group provides for appropriate modelling of the impact of financial guarantees and contractual options, using stochastic financial scenarios within the actuarial platform.
The companies belonging to the Insurance Division maintain and regularly update a list of all operational factors that may affect future liabilities.
For each operational factor selected and deemed material, the most appropriate, comprehensive and accurate data set (internal or external, or a combination of the two) is identified and will be used as an objective, stable and robust basis to define Best Estimate assumptions. For each of the selected operational factors, the most reliable, objective, appropriate and stable method is identified to derive Best Estimate assumptions, appropriately using the available information and possibly considering the impact of outliers and potential future trends. Finally, the validity is checked and the adequacy of the methods used to derive the Best Estimate assumptions is actively and regularly monitored.
With respect to the most significant operating assumptions, the companies belonging to the Insurance Division perform appropriate sensitivity analyses.

To identify the amount of expenses included in the scope of IFRS 17, reference is made to the expense captions, net of several expenses (e.g. training expenses, donations and fines etc…), in line with the provisions of the standard. Specifically, the expenses include those directly attributable to groups of contracts, including the allocation of fixed and variable general overhead costs. Moreover, under several methods used to measure claims incurred for Non-Life/Accident contracts, the estimate of future payments of claims are adjusted to take account of inflation. The Insurance Acquisition Cash Flows incurred in a lump-sum on issuing new contracts are not part of future cash flows, but are included in the measurement of the Contractual Service Margin of New Business, as a decrease thereto, by virtue of the fact that those costs were paid against the payment of the premium.
In defining projected cash flows, the Intesa Sanpaolo Group projects the real costs incurred to third parties, eliminating the intragroup costs incurred by the insurance companies.

With regard to the assumptions on mortality rates, the Italian national mortality tables published by ISTAT are considered. A survey on the Group's experience in the last ten years is conducted, and statistical methods are used to adjust the mortality tables in order to generate the expected mortality rates differentiated by macro-type of product (credit protection insurance, temporary life policies, savings/investment/pension) and by age and gender classes.

The other technical assumptions are also obtained starting with the historical data taken from ERP/management applications. Specifically, for redemption rates, a statistical analysis is conducted by claim duration of the historical frequencies recorded by the single insurance companies, suitably adjusted based on expert judgement, specifically regarding the claim durations not yet subject to observation.

To measure the future cash flows relating to the liability for incurred claims, the Group uses the most commonly used methods in the sector, also based on the availability of data and time series on claims. The estimate of liabilities for claims occurred includes the estimate of reimbursements and direct costs for claims occurred and reported, occurred but not yet reported, direct liquidation fees and management and liquidation fees allocated.

Methods used to measure the adjustment for non-financial risk

The non-financial risk adjustment is the compensation required to support the uncertainty on the amount and timing of cash flows deriving from non-financial risk at the time of performance of the insurance contract. As the risk adjustment compensates for uncertainty, estimates are made both on a proportionate approach to calculating the risk adjustment as the product of an average percentage applied to the expected contractual cash flows, where the percentage is obtained by leveraging an ex-ante VaR approach on a quarterly basis, based on the 75th percentile of the specific distribution of each risk considered. The analysis of the requirements of the standard entailed the selection, for the purposes of calculating the risk adjustment for the Life Business and the Non-Life Business, of the following underwriting risks:

– for the Life business, reference is made to the following risks: Mortality, Longevity, Expenses and the higher of the Lapse Up risk and Lapse Down risk;
– for the Non-Life business, reference is made to the following risks: Premium and Reserve and Lapse.

Both for the Life business and the Non-Life business, Catastrophic risk is excluded.
The *ex-ante* VaR is calculated at the overall company level, benefiting from diversification effects between risks and portfolios. This measure is subsequently "re-allocated" to each Macro-Portfolio (for the Life business: Separate Management, Multi-line, Unit Linked, Pension Funds and pure risk products; for the Non-life business, the Macro-Portfolios correspond to the Solvency 2 Business Lines) on a pro rata basis according to each Macro-Portfolio's individual contribution to the *ex-ante* Var.

17. Other information

Own shares

Any own shares held are directly deducted from equity. Similarly, their original cost and the profits or losses deriving from their subsequent sale are recorded in equity.

Accruals, prepayments and deferrals

Accruals, prepayments and deferrals for the year that include income and charges for the year, accrued on assets and liabilities, are shown in the financial statements as an increase or decrease of the assets and liabilities to which they are related.

Leasehold improvements

The costs sustained for restructuring property belonging to third parties are capitalised in consideration of the fact that for the duration of the rental contract the using company has control of the assets and may receive their future economic benefits. These costs, recorded in Other assets as provided for by the instructions of the Bank of Italy, are amortised over a period which must not exceed the duration of the rental contract.

Employee termination indemnities

Employee termination indemnities qualify as a "post-employment benefit" classified as:

– a "defined contribution plan" to the extent of the portions accruing from 1 January 2007 (the date the reform of the supplementary pension schemes came into force pursuant to Legislative Decree 252 of 5 December 2005) when the employee opted for the complementary pension scheme or decided to allocate such portions to the INPS (the Italian Social Security Institute) Treasury fund. Therefore, the amounts, recorded under personnel expenses, are determined on the basis of amounts due without the application of actuarial calculation;
– a "defined benefit plan" to the extent of the portions of employee termination indemnities accrued until 31 December 2006. These amounts are recognised at their actuarial value determined using the "Projected Unit Credit Method", without applying the pro-rata of the service rendered. Indeed, the current service cost of employee termination indemnities is almost entirely accrued and its revaluation in the years to come is not expected to generate significant benefits for employees.

For the purposes of discounting, the rate used is the market yield of high-quality corporate bonds taking into account the average remaining life of the liability, weighted based on the percentage amount paid and advanced, for each maturity, with respect to the total to be paid and advanced until the expiry of the entire obligation.
The plan's costs are recorded under personnel expenses, while actuarial profits and losses are recognised in the statement of comprehensive income.

Share-based payments

Share-based payments are recorded in the income statement, with a corresponding increase in shareholders' equity, on the basis of the fair value of financial instruments attributed at assignment date, dividing the charge over the period set forth by the plan.

In the case of options, the fair value is calculated using a model which considers, in addition to information such as strike price and expiry date of the option, spot price of the shares and their expected volatility, expected dividends and the risk-free interest rate, as well as the specific characteristics of the plan. The pricing model values the option and the probability of realisation of the condition on the basis of which the options have been assigned.

The combination of the two values supplies the fair value of the assigned instrument.

Any decrease in the number of financial instruments granted is accounted for as a cancellation of such instruments.

Employee benefits

Employee benefits are defined as all forms of consideration given by an entity in exchange for service rendered by employees.

Employee benefits are divided into:

– short-term benefits (other than termination benefits or equity compensation benefits) that are expected to be paid in full within twelve months after the end of the period in which the employees render the related service and recognised in full through profit or loss when they become due (this category includes, for example, wages, salaries and "extraordinary" benefits);
– post-employment benefits payable after the conclusion of employment that require the entity to provide future benefits to employees. These include employee termination indemnities and pension funds, which are in turn divided into defined contribution plans and defined benefit plans or company pension funds;
– termination benefits, i.e. compensation that the company recognises to the staff members upon termination of the employment agreement, following the company's decision to terminate the employment relationship prior to the normal retirement date;
– long-term benefits, other than those above, that are not expected to be paid in full within twelve months after the end of the period in which the employee rendered their service.

Offsetting of financial instruments

According to IAS 32, paragraph 42, financial assets and financial liabilities are offset and the net amount presented in the financial statements when an entity:

– has a legal enforceable right of set off which is currently exercisable in all circumstances, both in the ordinary course of business or in the event of default, insolvency or bankruptcy of the parties;
– intends to settle the transactions on a net basis or on a gross settlement basis whose substantive effects are equivalent to a net settlement.

For derivative instruments covered by netting agreements that meet the above requirements, Bank of Italy Circular 262 also requires the offsetting to be performed between trading and hedging derivatives, with the mismatches to be presented on a net basis. The net balance is usually allocated to the trading book rather than to the hedging derivatives, based on the actual amount of the mismatch between trading and hedging derivatives.

In compliance with the requirements of IFRS 7, more detailed information is provided in the tables contained in Part B – Other information of these Notes to the financial statements, which present the following:

– the carrying amounts of assets and liabilities that meet the requirements of IAS 32, paragraph 42, before and after offsetting;
– the exposures subject to master netting agreements that have not been offset but have the potential to be offset following specific circumstances;
– the collateral associated with them.

Tax credits related to the "Cura Italia" and "Rilancio" Decree Laws acquired as a result of transfer by direct beneficiaries or previous purchasers (e.g. ecobonus)

Decree Laws no. 18/2020 ("Cura Italia" Decree) and no. 34/2020 ("Rilancio" Decree) introduced tax incentives related to both investment expenditure (e.g. ecobonus and seismicbonus) and current expenditure (e.g. rents for non-residential premises). The government once again intervened on the issue through Decree Law no. 50/2022 ("Decreto Aiuti"), mainly by remodulating the base of potential re-assignees through Decree Law no. 11/2023 which prohibits, although with certain exceptions, the possibility of opting, instead of directly using the deduction, for the discount on invoices or transfer of credit and, finally, through Decree Law no. 39/2024 which mainly refers to qualified parties (financial intermediaries and insurance companies) and limits the possibility of netting social security against contribution liabilities.

These tax incentives apply to households or businesses, are linked to a percentage of the expenditure incurred (in some cases up to 110%) and are granted in the form of tax credits or tax deductions (with option for conversion into tax credits). The main features of these tax credits are: i) the possibility of using them for offsetting; ii) their transferability to third-party purchasers; and iii) their non-refundability by the Treasury.

The accounting for tax credits acquired from a third party (transferee of the tax credit) is not covered by a specific international accounting standard. IAS 8 requires, in cases where there is a circumstance not explicitly addressed by an IAS/IFRS accounting standard, that management develop an accounting policy to ensure relevant and reliable disclosure of such transactions.

To this end, the Intesa Sanpaolo Group, in view of the guidance provided by the Authorities, in the document "Accounting treatment of tax credits connected with the 'Cura Italia' and 'Rilancio' Decree Laws acquired following the assignment by the direct beneficiaries or previous purchasers" published on 5 January 2021 by the Coordination Committee between the Bank of Italy, Consob and IVASS concerning the application of IAS/IFRS has adopted an accounting policy that refers to the accounting rules established by IFRS 9, applying the provisions that are consistent with the characteristics of the transaction.
The Group attributes:

– to a Hold to Collect business model the loans that are acquired within the limits of its tax capacity, with the objective of holding and using them for future offsetting. Those loans are recognised at amortised cost, representing the remuneration of net interest income over the time frame of recovery;
– to a Hold to Collect and Sell business model the loans that are acquired within the limits of its tax capacity, which may be further reassigned. Those credits are measured at fair value through other comprehensive income. Given the particular nature of these instruments, their fair value fluctuations are linked to the changes in interest rates. The profitability is recognised on a *pro rata* basis under net interest income in the income statement;
– to an Other business model, the loans acquired for trading, e.g., in the event of purchases above its tax capacity and the signing of related reassignment agreements. Those loans are measured at fair value through profit or loss. Their fair value fluctuations are linked to the changes in interest rates. The profitability is recognised on a pro-rata basis under net interest income in the Income statement.

In all the above cases, the initial recognition value matches the fair value at the date of purchase. Therefore, no day-one profit/loss is recognised.

The accounting framework set out in IFRS 9 for calculating expected credit losses is not deemed applicable to this specific case. The ECL (Expected Credit Loss) need not be calculated on these tax credits, as no refund is expected from the tax authorities, as the extinction of the instrument is linked to the offsetting of the bearer's tax payables. Moreover, in cases where reassignment is planned, the sale will be finalised by collecting the price of the instrument, without recognising a receivable due from the assignee.

Lastly, considering the operating methods implemented by the Group, the risk of non-use of the tax credits, i.e. the risk that the Bank lacks the tax capacity to achieve the benefits associated with the asset, can be reasonably deemed as inexistent. Specifically:

– with regard to the Hold to Collect and Hold to Collect and Sell business models, the amounts acquired are consistent with the overall tax capacity, so that the Bank can offset its payables;
– with regard to the Other business model, for the loans acquired, reassignment agreements were gradually entered into for excess volumes, binding on the customer, with multiple counterparties, whose tax capacity is verified in advance.

As specified in the joint document from the Authorities, as mentioned above, given that the purchased tax credits do not qualify as tax assets, public subsidies, intangible assets or financial assets under the international accounting standards, the most appropriate classification, for their presentation in the financial statements, is the residual classification under Other Assets in the balance sheet.

Treatment of Irrevocable Payment Commitments (IPC) with the Single Resolution Fund (SRF)

Starting from 2016, the banks from all Eurozone countries joined the Single Resolution Mechanism (SRM) under which the Single Resolution Fund (SRF) was established with the aim of having adequate resources to be used in the event of banking crises. The relevant legislation establishes that the initial target level of the fund - to be achieved over 8 years (2016-2023) - is equal to at least 1% of the covered deposits of all credit institution authorised in the banking union. The contribution, which is determined annually by the Single Resolution Board (SRB) and communicated to the member banks, may be paid in cash and, in part, by entering into Irrevocable Payment Commitments (IPCs), not exceeding 30% of the total contribution and fully backed by collateral of low-risk assets. The use of irrevocable payment commitments is at the discretion of each bank. The Intesa Sanpaolo Group decided to use IPCs - against which off-balance sheet commitments have been recognised - by paying, in this respect, cash collateral in the same amount as a deposit, which is remunerated on the basis of the applicable contractual conditions and consistently applied to all European banks that use the IPC mechanism.
The off-balance sheet commitment - which, for prudential purposes, is fully deducted from CET1 in accordance with the ECB provisions covering the SREP measure - is assessed at each reporting date and/or whenever there is evidence indicating that its enforcement is probable. In this respect, the Group has activated a specific monitoring mechanism, with the support of a leading research company, in order to verify the absence of critical indicators in member banks that would deem SRF intervention probable and therefore the recall of the IPC. Based on the analyses performed, the risk that the IPCs be called as at 31 December 2025 is deemed remote. Furthermore, since its establishment in 2016, the Single Resolution Fund has never called the IPCs entered into by the banks, as it did not take any action that involved the use of the funds raised.
Finally, in relation to the contributions requested in the 2016-2023 period, IPCs were entered into by the Intesa Sanpaolo Group for a total of 382 million euro, against which the Group set up the cash collateral recognised under Financial assets measured at amortised cost. Since 2024, having achieved the minimum capacity envisaged by Regulation (EU) 806/2014, the SRB has not requested any further contributions.

Recognition of revenues and costs

Revenues are gross flows of economic benefits deriving from the performance of the company's ordinary business and are recognised when control of the goods or services is transferred to the customer, at an amount that represents the amount of consideration that the company considers it is entitled to. In particular, revenues are recognised by applying a model that must meet the following criteria:

– identification of the contract, defined as an agreement in which the parties are committed to perform their respective obligations;
– identification of the individual performance obligations contained in the contract;
– determination of the transaction price, i.e. the expected consideration for the transfer of the goods or services to the customer;
– allocation of the transaction price to each performance obligation, based on the sale prices of the individual obligation;
– recognition of revenues when (or as) the performance obligation is satisfied by transferring a promised good or service to a customer.

The transaction price is the amount to which an entity expects to be entitled in exchange for the transfer of goods and services promised. It may include fixed or variable amounts or both. Revenues from variable fees are recognised in the income statement if they can be reliably estimated and only if it is highly likely that all or a significant part of this fee will not need to be reversed from the income statement in future periods. Where there is a high level of uncertainty related to the nature of the consideration, it will be recognised only when this uncertainty is resolved.

Revenues may be recognised:

– at a specific point in time, when the entity satisfies a performance obligation by transferring a promised good or service to the customer, or
– over time, as the entity satisfies a performance obligation by transferring a promised good or service to the customer.

The good is transferred when, or in the period when, the customer acquires control of the good.

In particular:

– interest is recognised on accrual on the basis of the contractual interest rate or the effective interest rate in the case of application of amortised cost. Interest income (or interest expense) includes differentials and positive (or negative) margins accrued up to the reporting date, relating to financial derivatives:
  a) hedging interest-generating assets and liabilities;
  b) classified in the balance sheet in the trading book, though related to financial assets and/or liabilities designated at fair value through profit or loss (fair value option) in management terms;
  c) related in management terms to assets and/or liabilities classified in the trading book and providing for the settlement of differentials or margins with different maturities;
– overdue interest, which may be provided for by the relevant contracts is recorded in the income statement solely at the time of collection;
– dividends are posted in the income statement when their distribution is approved, unless this date is not known or the information is not immediately available, in which case they may be recognised when they are collected;
– commission income from services is recorded, on the basis of the existence of contractual agreements, in the period in which the services have been rendered. Commission income included in the amortised cost for the purposes of determining the effective interest rate is recognised under interest;
– profits and losses from securities trading are recognised in the income statement at the date of sale, on the basis of the difference between the consideration paid or collected and the carrying value of such instruments;
– profits deriving from insurance contracts recorded pursuant to IFRS 17, posted in the balance sheet caption Contractual Service Margin are released to the income statement for the estimated portion of insurance services rendered during the period;
– revenues deriving from the sale of non-financial assets are recorded at the date of sale, or when the performance obligation towards the customer is satisfied.

Costs are recognised in the income statement on an accruals basis. Costs relating to the receipt and performance of contracts with customers are recognised in the income statement in the periods when the related revenues are recognised.

Use of estimates and assumptions in preparing financial reports

The preparation of financial reports requires the use of estimates and assumptions that may have a significant effect on the amounts stated in the balance sheet and income statement, and on the contingent assets and liabilities reported in the financial statements. Estimates are based on available information and subjective evaluations, also founded on past experience, which are used to formulate reasonable assumptions in measuring operating events. Given their nature, the estimates and assumptions used may vary from year to year, and hence it cannot be excluded that current amounts carried in the financial statements may differ significantly in future financial years as a result of changes in the subjective evaluations made.
If there are greater uncertainties and/or the assets being measured are particularly material, the valuation is supported by specific fairness opinions from external appraisers/experts.

The main cases for which subjective evaluations are required to be made by corporate management include:
- the measurement of impairment losses on loans, investments, and, generally, other financial assets;
- the use of measurement models for determining the fair value of financial instruments not listed on active markets;
- the evaluation of the appropriateness of amounts stated for goodwill and other intangible assets;
- the fair value measurement of real estate and valuable art assets;
- the measurement of personnel funds and allowances for risks and charges;
- the estimates and assumptions on the collectability of deferred tax assets;
- the demographic (linked to the estimated mortality of the insured people) and financial (deriving from the possible trend in the financial markets) assumptions used to measure the insurance products in accordance with the provisions of IFRS 17.

For some of the types listed above, the main factors subject to estimates by the Group and which determine the carrying value of assets and liabilities in the financial statements can be identified. The following are noted, by way of example:
- to determine the fair value of financial instruments not listed on active markets, if the use of parameters that cannot be obtained from the market is necessary, the main estimates regard, on one hand, development of future cash flows (or even income flows, in the case of equities), possibly conditional on future events and, on the other, the level of specific input parameters not listed on active markets;
- the estimates for the assignment of loans and debt securities classified as Financial assets measured at amortised cost and Financial assets measured at fair value through other comprehensive income to the three credit risk stages required by IFRS 9 and to calculate the related expected credit losses involve:
  - the determination, where applicable, of the parameters for a significant increase in credit risk, essentially based on models for measuring the probability of default (PD) upon origination of the financial assets and at the reporting date;
  - the inclusion of forward-looking factors, including macroeconomic factors, for the determination of the PD and LGD (Loss Given Default);
  - the determination of the likelihood of sale of impaired financial assets, through the realisation of market positions;
- to determine the future cash flow estimates from non-performing loans, a number of items are considered: the expected recovery times, the presumed realisable value of guarantees and the costs to be sustained for the recovery of credit exposure;
- to determine the value in use of intangible assets with an indefinite life (brand name and goodwill) with regard to the Cash-Generating Units (CGU) comprising the Group, the future cash flows in the forecasting period of the analysis and the flows used to determine the terminal value, generated by the CGU, are subject to estimate, separately and appropriately discounted. Also the cost of capital is among the items subject to estimate;
- to determine the value in use of intangible assets with a finite life with regard to the CGUs comprising the Group, the useful life is subject to estimate, on the one hand, as well as the future cash flows arising from the asset, on the other. The cost of capital is subject to estimate in the case of intangible assets with a finite life as well;
- the fair value measurement of real estate and valuable art assets is based on valuations prepared by qualified independent firms. Lease rentals, selling prices, discount rates and capitalisation rates are estimated in order to conduct the appraisals of the properties, while to conduct the appraisals on the valuable art assets, the estimate of the value is gathered from the performance of the exchanges of similar works (in terms of technique, size, subject) by the same author or regional movements and schools that are close with regard to style and technique;
- to measure post-employment benefits, the present value of the obligations is subject to estimate, taking into account the flows, appropriately discounted, arising from past time-series analyses and the demographic curve;
- to measure allowances for risks and charges, the amount of outflows necessary to fulfil the obligations is estimated, where possible, taking into account the effective probability of having to utilise resources;
- to determine the insurance liabilities, estimates are used to measure the future cash flows for fulfilment of the contracts and to define the technical assumptions on mortality rates and other technical assumptions, and, for example, redemption rates and claims occurred for the measurement of non-life contracts. The assumptions used to determine the discount rates and the methods used to measure the non-financial risk adjustment are of particular importance;
- to determine the value of deferred tax items, the likelihood of an effective future tax burden is estimated (taxable temporary differences) and the level of reasonable certainty – if it exists – of future taxable amounts at the time when the tax deductibility occurs (deductible temporary differences and tax losses carried forward).

Considering that subjective evaluations are also used by management, inter alia, to estimate the useful life of property, equipment and intangible assets subject to the periodic amortisation process, such as owner-occupied properties and software subject to valuation by the Intesa Sanpaolo Group, respectively, according to the revaluation model and at cost, the following should be noted in relation to these assets:
- with respect to owner-occupied properties, in accordance with internal rules and the IAS/IFRS, the Group periodically checks the adequacy of the useful life of these assets, also considering the close relationship between the useful life of an asset and the extent of the upgrading and modernisation work aimed at preserving quality and functional levels in line with market standards;
- with respect to software, in the current digital environment, IT resources are becoming an increasingly strategic asset, including in the banking industry, to support corporate business development. Consequently, the investments in digital solutions and/or innovative and transformative information technology systems have become increasingly important in quantitative terms. Based on the above and in line with internal policies and the IAS/IFRS, the estimated useful life of the company's software applications was revised. As a result of the recent investments made in new functionalities and innovative technological developments, some software applications met the conditions for the revision of their useful life which led to the recognition of a positive impact of approximately 89 million euro generated by lower amortisation on the 2025 income statement under "Net adjustments to/recoveries on intangible assets".

The classification drivers for financial assets

The classification of the financial assets into the three categories established by the standard depends on two classification drivers: the business model used to manage the financial instruments and the contractual cash flow characteristics of the financial assets (or SPPI Test).

The classification of the financial assets derives from the combined effect of the two drivers mentioned above, as described below:

– Financial assets measured at amortised cost: assets that pass the SPPI test and come under the Hold to Collect (HTC) business model;
– Financial assets measured at fair value through other comprehensive income (FVOCI): assets that pass the SPPI test and come under the Hold to Collect and Sell (HTCS) business model;
– Financial assets measured at fair value through profit or loss (FVTPL): this is a residual category, which includes financial instruments that cannot be classified in the previous categories based on the results of the business model test or the test of the contractual cash flow characteristics (SPPI test not passed).

SPPI test

For a financial asset to be classified as at amortised cost or at FVOCI – in addition to the analysis of the business model – the contractual terms of the asset must also provide, on specified dates, for cash flows that are solely payments of principal and interest (SPPI). This analysis must be carried out for loans and debt securities in particular.

The SPPI test must be carried out on each individual financial instrument at the time of recognition in the balance sheet. After initial recognition, and as long as it is recognised in the balance sheet, the asset is no longer subject to new assessment for the purposes of the SPPI test. If a financial instrument is derecognised and a new financial asset is recognised, the SPPI test must be performed on the new asset.

For the application of the SPPI test, IFRS 9 provides the following definitions:

– Principal: this is the fair value of the financial asset at initial recognition. This value may change over the life of the financial instrument, for example as a result of repayments of part of the principal;
– Interest: this is the consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time. It can also include consideration for other basic lending risks and costs and a profit margin.

In assessing whether the contractual flows of a financial asset can be defined as SPPI, IFRS 9 refers to the general concept of a 'basic lending arrangement', which is independent of the legal form of the asset. When contract terms introduce exposure to risks or volatility in the contractual cash flows that is inconsistent with the definition of a basic lending arrangement, such as exposure to changes in share or commodity prices, the contractual cash flows do not meet the definition of SPPI. The application of the classification driver based on contractual cash flows sometimes requires a subjective judgement and, consequently, the establishment of internal application policies.

In cases of modified time value of money – for example, when the interest rate of the financial asset is recalculated periodically, but the frequency of the recalculation or the frequency of payment of the coupons does not reflect the nature of the interest rate (such as when the interest rate is recalculated monthly on the basis of a one-year rate) or when the interest rate is recalculated regularly on the basis of an average of particular short or medium-to-long term rates – an entity should assess, using both quantitative and qualitative information, whether the contractual cash flows still meet the definition of SPPI (benchmark cash flows test). If the test shows that the (undiscounted) contractual cash flows are "significantly different" from the (also undiscounted) cash flows of a benchmark instrument (i.e. without the modified time value element), the contractual cash flows cannot be considered to meet the definition of SPPI.

The standard requires specific analyses ("look through test") to be performed and these are therefore also conducted on multiple contractually linked instruments (CLIs) that create concentrations of credit risk for debt repayment and on non-recourse assets, for example in cases where the loan can only be enforced on specified assets of the debtor or on the cash flows from specified assets.

The presence of contractual clauses that may change the frequency or amount of the contractual cash flows must also be considered to determine whether those cash flows meet the requirements to be considered as SPPIs (e.g. prepayment options, the possibility of deferring contractually agreed cash flows, embedded derivative instruments, subordinated instruments, etc.).

However, as envisaged by IFRS 9, a contractual cash flow characteristic does not affect the classification of the financial asset if it could have only a de minimis effect on the contractual cash flows of the financial asset (in each year and cumulatively). Similarly, if a cash flow characteristic is not genuine, i.e. if it affects the instrument's contractual cash flows only on the occurrence of an event that is extremely rare, highly abnormal and very unlikely to occur, it does not affect the classification of the financial asset.

For operations in debt securities, the Intesa Sanpaolo Group uses the services offered by well-known info-providers for the performance of the SPPI Tests. This choice, on one hand, provides front office staff who deal in securities with an immediate result for the performance of the test, enabling the streamlining of purchasing processes, and, on the other hand, provides access to market approaches shared by numerous operators and audit firms. Only in cases where the securities are not managed by info-providers, the test is carried out manually using a proprietary tool based on an internally developed methodology (decision-making trees).

A proprietary tool based on an internally developed methodology (decision-making trees) has also been developed for carrying out the SPPI test for the lending processes. In particular, given the significant differences in characteristics, the procedure differs between products related to a contractual standard (typically the retail loan portfolio) and tailor-made loans (typically the corporate loan portfolio).
For standard products, the SPPI test is carried out during the structuring of the contractual standard, through the "New Product Coordination" process, and the result of the test is applied to all the individual relationships related to the same catalogue product. For tailor-made products, on the other hand, the SPPI test is carried out for each new credit line/relationship submitted to the decision-making body through the use of the proprietary tool.

The decision-making trees – included in the proprietary tool – have been produced internally (both for debt securities and loans) and capture the possible non-SPPI compliant characteristics. They take account of the instructions provided by IFRS 9, as well as the interpretations of the standard made by the Group. The trees are used both for the implementation of the rules of the proprietary tool and for the verification and validation of the methodology adopted by the info-providers.

Business model
With regard to the business models, IFRS 9 identifies three cases relating to the way in which cash flows and sales of financial assets are managed:
– *Hold to Collect (HTC)*: this is a business model whose objective is achieved by collecting the contractual cash flows of the financial assets included in the portfolios associated to it. The inclusion of the portfolio of financial assets in this business model does not necessarily result in the inability to sell the instruments, but the frequency, value and timing of sales in prior periods, the reasons for the sales, and the expectations about future sales, need to be considered;
– *Hold to Collect and Sell (HTCS)*: this is a mixed business model whose objective is achieved by collecting the contractual cash flows of the financial assets in portfolio and (also) through the sale of the financial assets, which is an integral part of the strategy. Both activities (collection of contractual flows and sale) are indispensable for achieving the business model's objective. Accordingly, sales are more frequent and significant than for an HTC business model and are an integral part of the strategies pursued;
– *Other/Trading*: this is a residual category that includes both financial assets held for trading and financial assets managed with a business model that does not come under the previous categories (Hold to Collect and Hold to Collect and Sell). In general, this classification applies to a portfolio of financial assets whose management and performance are measured based on fair value.

The business model reflects the way in which financial assets are managed to generate cash flows for the benefit of the entity and is defined by top management with the appropriate involvement of the business structures. It is observed by considering the way in which financial assets are managed and, as a consequence, the extent to which the portfolio's cash flows derive from the collection of contractual flows, from the sale of the financial assets, or from both. This assessment is not performed on the basis of scenarios that the entity does not reasonably expect to occur, such as 'worst case' or 'stress case' scenarios. For example, if an entity expects that it will sell a particular portfolio of financial assets only in a stress case scenario, that scenario does not affect the entity's assessment of the business model for those assets if the entity reasonably expects that such a scenario will not occur.

The business model does not depend on management's intentions regarding an individual financial instrument, but refers to the way in which groups of financial assets are managed in order to achieve a specific business objective.

In summary, the business model:
– reflects the way in which financial assets are managed to generate cash flows;
– is defined by top management, with the appropriate involvement of the business structures;
– must be observable by considering the way the financial assets are managed.

In operational terms, the assessment of the business model is carried out in line with the company's organisation, the specialisation of the business functions, the risk cascading model, and the assignment of delegated powers (limits). All relevant factors available at the date of the assessment are used in the assessment of the business model. The above information includes the strategy, the risks and their management, the remuneration policies, the reporting, and the amount of the sales. In the analysis of the business model, the elements investigated must be consistent with each other and, in particular, must be consistent with the strategy pursued. Evidence of activities not in line with the strategy must be analysed and duly justified.
In this regard, and in relation to the business models under which the financial assets are held, a specific set of "Business Model Rules" (approved by the competent levels of governance) has been drafted for the Parent Company and Banking Group Companies. It defines and sets out the components of the business model in relation to the financial assets included in the portfolios managed as part of the operations of the Intesa Sanpaolo Group's business structures. In further detail, the mapping of the business model adopted by the various structures through which the Group operates, with regard to both loans and receivables and debt securities, takes account of the structure of the division model and the Corporate Centre; this structure has been identified as the relevant level for formulating and representing the various business models applied by the Group's risk-taking centres.

Within the Chief Risk Officer Governance Area, the Market & Financial Risk Management of the Parent Company provides high-level supervision of the procedure required for determining the business model within which a given set of assets is held and verifies the need for any updates (to be incorporated, at least annually, in the Business Model Rules document).

Monitoring of the business model

The monitoring of the reference business model of the various structures through which the Group operates is performed by the Market & Financial Risk Management, which uses indicators intended to verify the consistency of the declared strategy with that pursued within the business models; these indicators, differentiated for the various business models, have been developed in accordance with IFRS 9 and corporate rules and procedures.

For the Hold to Collect portfolios, the Group has set limits for frequent but not significant sales to be considered eligible (individually or in aggregate), or for infrequent sales even if their amount is significant, and the parameters have also been established for identifying sales as being consistent with that business model because they relate to an increase in credit risk or for securities nearing maturity.

More specifically, within an HTC business model, sales are allowed:

– in the event of an increase in credit risk, i.e., if the exposure deteriorates or moves to stage 2 in accordance with the impairment rules under IFRS 9;
– for securities nearing maturity (i.e., according to the Group rules, in the 6 months preceding maturity), provided that the amount collected is close to the current value of the remaining contractual flows;
– when they are frequent but not significant in terms of value or occasional even if significant in terms of value, subject to authorisation assessment by the competent Control bodies. In order to determine these aspects, thresholds of frequency and significance have been set:
    - frequency is defined as the percentage ratio between the number of positions sold over the year and the number of portfolio positions at the beginning of the period considered;
    - significance is defined as the percentage ratio between the nominal value of the sales during the current year and the nominal value of the instruments held in the portfolio at the beginning of the period considered.

With regard to the determination of the “Risks” and the “Reporting” for the HTCS and Trading business models, the provisions of the RAF and Market Risk Charter and of internal policies in the area of market risk controls apply in principle, and measures are concurrently established for monitoring the consistency of the HTCS and Other/Trading business models.

With regard to the HTCS business model, IFRS 9 does not provide for the need for limits on the frequency or the value of the sales. However, the Group has established indicators for debt securities only in order to ensure that they are properly assigned to the chosen business model over time. These indicators are:

– The holding period, which measures the time for which a certain instrument has been held in portfolio;
– Turnover rate, which measures the speed with which positions in portfolio turn over during a predefined period of time.

Within the framework of the monitoring of the indicators set out above, limits and early-warning thresholds apply according to the overall strategies pursued by the HTCS portfolio.

Finally, with regard to debt or equity securities held for trading, a measure of the consistency of inclusion in the chosen business model applies, represented by the indicator of "expected average permanence" (so-called Vintage) which measures the observed holding period of all securities in portfolio.

The monitoring measures relating to the various business models are subject to regular reporting through technical committees.

Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition net of any principal repayments, plus or minus cumulative amortisation, calculated using the effective interest rate method, of any difference between initial amount and amount at maturity and net of any reduction for impairment.

The effective interest rate is the rate that exactly discounts future cash payments or receipts through the expected life of the financial instrument or through the subsequent date for recalculation of the price to the present value of the financial asset or financial liability. In the calculation of the present value, the effective interest rate is applied to the flow of future cash receipts or payments through the entire useful life of the financial asset or liability or for a shorter period when certain conditions recur (for example review of market interest rates).

After initial recognition, amortised cost enables allocation of revenues and costs directly by decreasing or increasing the value of the instrument over its entire expected life via the amortisation process. The determination of amortised cost is different depending on the fact that financial assets/liabilities have fixed or floating rates and – in this last case – if the volatility of the rate is known or not beforehand. For instruments with fixed rate or fixed rate by time bands, future cash flows are quantified on the basis of the known interest rate (sole or floating) over the life of the loan. For financial assets/liabilities with a floating rate, for which the volatility is not known beforehand (for example because it is linked to an index), the determination of cash flows is carried out based on the last rate available. At every revision of the interest rate, the amortisation plan and the effective interest rate for the entire life of the investment, that is, until maturity, are recalculated. Any changes are recorded in the income statement as income or loss.

Measurement at amortised cost is applied for the financial assets measured at amortised cost and for the financial assets measured at fair value through other comprehensive income, as well as the financial liabilities measured at amortised cost.

Financial assets and liabilities traded at market conditions are initially recognised at fair value, which normally corresponds to the amount disbursed or paid including, for instruments measured at amortised cost, transaction costs and any directly attributable fees.

Transaction costs include internal or external marginal costs and income attributable to the issue, the acquisition or the disposal of a financial instrument which are not debited to the customer. These commissions, which must be directly attributable to the single financial asset or liability, modify the original effective return, thereby the effective interest rate associated to the transaction differs from contractual interest rate. Transaction costs do not include costs/income referred to more than one transaction and the components related to events which may occur during the life of the financial instrument, but which are not certain at the time of the initial agreement, such as for example: commissions for retrocession, for non-use, for advance termination. Furthermore, amortised cost does not include costs which would be sustained independently from the transaction (e.g. administrative and communication costs, stationery expenses), those, which though directly attributable to the transaction are part of standard practice for the management of the financing (e.g. activities related to the loan granting process), as well as commissions for services received following structured finance activities which would in any case have been received independently from the subsequent financing of the transaction (e.g. facility and arrangement fees).
With reference to loans, the following costs are considered directly attributable to the financial instrument: fees paid to distribution networks, fees paid for the origination and/or the participation in syndicated loans and lastly, up-front fees correlated to loans disbursed at rates exceeding market rates. Income considered in the calculation of amortised cost includes: up-front fees correlated to loans disbursed at rates below market rates, income for the participation in syndicated loans and brokerage commissions received.
For debt securities not measured at fair value through profit or loss, the following are considered transaction costs: commissions on contracts with brokers operating on the Italian stock exchange, commissions paid to dealers operating on the Italian and foreign stock and bond markets defined on the basis of the commission tables. Stamp duty is not considered in amortised cost since immaterial.
Regarding securities issued, amortised cost considers placement commissions on bond issues paid to third parties, amounts paid to Exchanges and remuneration paid to Independent auditors for the activities performed for each single issue, while amortised cost does not consider commissions paid to rating agencies, legal and advisory/review expenses for the annual update of prospectuses, the costs for the use of indexes and commissions which originate during the life of the bond issue.

Amortised cost is also applied for the measurement of loss incurred by the financial instruments listed above as well as for the measurement of instruments issued or purchased at a value other than fair value. The latter are measured at fair value, instead of the amount collected or paid, by discounting expected future cash flows at a rate equal to the effective rate of return of similar instruments (in terms of credit rating, contractual expiry, currency, etc.), with the simultaneous recognition in the income statement of a financial charge or income; after initial recognition, these are measured at amortised cost with the registration of higher or lower effective interest with respect to nominal interest. Lastly, structured liabilities that are not measured at fair value through profit or loss, for which the embedded derivative has been separated from the financial instrument, are also measured at amortised cost.

As specified by IFRS 9, in some cases, a financial asset is considered credit-impaired at initial recognition because the credit risk is very high, and in the case of a purchase it is purchased at a deep discount (with respect to the initial disbursement value). If these financial assets, based on the application of the classification drivers (SPPI Test and business model), are classified as assets measured at amortised cost or at fair value through other comprehensive income, they are classed as Purchased or Originated Credit Impaired (POCI) assets and are subject to special treatment for the impairment process. In addition, for the financial assets classed as POCI, the credit-adjusted effective interest rate is calculated, at the initial recognition date, which requires the inclusion of the initial expected credit losses in the cash flow estimates. This credit-adjusted effective interest rate is used for the application of the amortised cost and the consequent calculation of interest.
For non-performing loans arising from business combinations, the difference between the initial recognition amount (the fair value determined in the PPA) of the POCIs and the previous carrying amount at the acquired entity is split into two components: one related to the lower recoverable cash flows estimated at fair value, which therefore include the expected credit losses over their entire remaining life, and the other related to the discounting of those lower recoverable cash flows. Please note that the reversal of discounting (connected with the estimate of recoverable cash flows attributed to non-performing loans at the moment of the PPA) is recognised, on a pro-rata basis, among interest income so as to supplement the contractual interest rate with the higher return resulting from the lower value attributed to the recoverable cash flows, which, as mentioned above, take into account the expected losses over the entire remaining life of the POCI assets.

The amortised cost measurement criterion is not applied to hedged financial assets/liabilities for which fair value changes related to the risk hedged are recorded through profit or loss. The financial instrument is again measured at amortised cost in the case of hedge termination; from that moment the fair value changes recorded before are amortised, calculating a new effective interest rate which considers the value of the loan adjusted by the fair value of the hedged part, until the natural expiry of the hedge. Furthermore, as already mentioned in the paragraphs relating to financial assets and liabilities measured at amortised cost, measurement at amortised cost is not applied to short-term assets/liabilities for which the time value is deemed to be immaterial and to loans without a definite maturity or revocable loans.

Impairment of assets

Impairment of financial assets

At each reporting date, pursuant to IFRS 9, financial assets other than those measured at fair value through profit or loss are subject to an assessment aimed at verifying whether there is any evidence that the carrying value of the assets may not be fully recoverable. A similar analysis is also performed for loan commitments and for guarantees given that must be tested for impairment under IFRS 9.
In preparation for the determination of the impairment losses, at each reporting date the financial instruments must be assigned to the following categories (Stage Assignment or Staging):

– Stage 1: comprising financial instruments for which, from their initial recognition up to the reporting date, there is no evidence of a significant increase in credit risk;
– Stage 2: it comprises financial assets that have had a significant increase in credit risk since initial recognition;
– Stage 3: if there is evidence of impairment, these financial assets – in line with any other assets pertaining to the same counterparty – are considered impaired and are therefore included in Stage 3.

The non-performing exposures consist of financial assets classified in the categories of bad loans, unlikely-to-pay (UTP) loans and exposures past due by more than ninety days, defined in Bank of Italy Circular 272/2008.

Impairment of performing financial assets

For financial assets for which there is no evidence of impairment (unimpaired financial instruments), it is necessary to check whether there are indicators that the credit risk of the individual transaction has increased significantly since initial recognition. This check, in terms of classification (or, more precisely, staging) and measurement, has the following consequences:

– where these indicators exist, the financial asset is included in stage 2. In this case, in compliance with the IAS/IFRS and despite the absence of an actual impairment, the measurement consists of the recognition of impairment losses equal to the lifetime expected credit losses of the financial instrument. These adjustments are subject to revision at each subsequent reporting date, both to periodically check their consistency with the continuously updated loss estimates and to take account – if the indicators of “significantly increased” credit risk are no longer present – of the change in the forecast period for the calculation of the expected credit loss;
– where these indicators do not exist, the financial asset is included in stage 1. In this case, in compliance with the IAS/IFRS and despite the absence of an actual impairment, the measurement consists of the recognition of the 12-month expected credit losses for the specific financial instrument. These adjustments are subject to revision at each subsequent reporting date both to periodically check their consistency with the continuously updated loss estimates and to take into account – if there are indicators that the credit risk has “significantly increased” – the change in the forecast period for the calculation of the expected loss.

With regard to the measurement of financial assets and, in particular, the identification of the "significant increase" in credit risk (a necessary and sufficient condition for the classification of the asset being measured as stage 2), the following factors constitute the key elements to be taken into account, in accordance with the standard and its operational implementation by the Intesa Sanpaolo Group:

– the variation (beyond set thresholds) of the lifetime probabilities of default compared to the time of initial recognition of the financial instrument. This is therefore an assessment made on a "relative" basis, which constitutes the main driver;
– the presence of a past due position that – subject to the materiality thresholds identified by the regulations – has been in that status for at least 30 days. If these circumstances apply, the credit risk of the exposure is considered to have "significantly increased" and the exposure is therefore transferred to stage 2 (when the exposure was previously included in stage 1);
– the presence of forbearance measures, which – again on a presumption basis – result in the classification of the exposures under those whose credit risk has "significantly increased" since initial recognition. Activating a forbearance measure implies a minimum probation period of 24 months in stage 2;
– some of the indicators from the credit monitoring systems specifically used within the Group are also considered for the purposes of the transfer between "stages". Specifically, reference is made to the following:
    - with respect to the centralised perimeter (main Italian companies and foreign corporate banks), to early warning systems. Where signals of high risk ("traffic light" results) are identified for at least three consecutive months by such systems, a perimeter of potentially riskier counterparties is defined, to be classified in stage 2;
    - with respect to the banks belonging to the international perimeter (International Banks Division), to the watch lists, i.e. the credit monitoring systems that – based on the current credit quality of the borrower – place performing exposures above a certain level of risk within a particular range.

Finally, a staging allocation effect was identified in the in-model adjustment linked to the identification of extreme scenarios (described later in this section). This led to the stage 2 classification of the counterparties deemed most vulnerable to the aforementioned extreme scenarios in relation to the rating assigned.

Focusing on the main trigger out of those referred to above (i.e. the change in the lifetime probability of default), the significant increase in credit risk ("SICR") is determined by comparing the relative change in the lifetime probability of default recorded between the initial recognition date of the relationship and the observation date (lifetime PD Change) with predetermined significance thresholds. The assignment of a lifetime PD to the individual relationships is carried out by allocating the ratings for each segment according to the masterscale at both the initial recognition date and the observation date. Ratings are determined based on internal models, where available, or on business models. If there are no ratings, the Benchmark PDs are assigned to the type of counterparty being assessed.
The significant deterioration is therefore based on the increase in the lifetime PD caused by downgrades of the position from its origination to the reporting (observation) date, as well as the change in the forecast of the future macroeconomic factors.

The above-mentioned "relative" change in lifetime PD is an indicator of the increase or decrease in credit risk during the reporting period. To establish whether, in accordance with IFRS 9, any increase in credit risk can be considered "significant" (and therefore entail a transition between stages), it is necessary to set specific thresholds. Increases in lifetime PD below these thresholds are not considered significant and, consequently, do not result in the transfer of individual credit lines/tranches of debt securities from stage 1 to stage 2. However, this transfer is required if there are relative increases in PD above these thresholds. The thresholds used have been estimated based on a process of simulations and optimisations of forecast performance, carried out using granular historical portfolio data. Specific thresholds are set for the Corporate, Retail, Large Corporate and Retail SME models and extended to the other models based on methodological affinity. The thresholds differ in terms of residual maturity, annual granularity and rating class.
The determination of the thresholds has been calibrated to find a suitable balance between the performance indicators relating to the ability of the thresholds to:

– detect stage 2 positions before their transition to default;
– identify positions for which a return to stage 1 is due to an actual improvement in credit rating.

To complement the above methodology, a "relative" threshold also exists (tripling of lifetime PD at the observation date compared to the lifetime PD at the initial recognition date), which acts on a residual basis compared to the main methodology. Therefore, if this threshold is exceeded, the position is automatically classified to Stage 2. In order to avoid the "sliding" into stage 2 of particularly high credit quality positions, the threshold is only triggered for non-investment grade loans and securities.

Some specific considerations apply for the "staging" of the debt securities. Unlike loans, for this type of exposure, sales and purchases after initial recognition (made using the same ISIN) may form part of the ordinary management of the positions (with the consequent need to identify methods to be adopted for identifying the sales and repayments in order to determine the remaining quantities of the individual transactions that need to be allocated a credit quality/rating upon origination to be compared with that parameter at the reporting date). In this regard, the use of the "first-in-first-out" or "FIFO" method (for the recognition of the recorded ECL in the income statement, in the event of sales or repayments) was considered to help in providing a more transparent management of the portfolio, also for the front office operators, while also enabling the continued updating of the credit rating based on new purchases.

Once the allocation of the exposures to the various credit risk stages has been established, the expected credit losses (ECL) are determined at individual transaction or securities tranche level, using the IRB/Business models, based on the parameters of Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), to which appropriate corrections are made to ensure compliance with the specific requirements of IFRS 9.
The following definitions apply for PD, LGD and EAD:
– PD (Probability of Default): likelihood of migrating from performing to non-performing status over the period of one year. In models consistent with supervisory provisions, the PD factor is typically quantified through the rating. In the Intesa Sanpaolo Group, the PD values are derived from internal rating models where available, supplemented by external ratings or segment/portfolio average figures;
– LGD (Loss Given Default): percentage loss in the event of default. In the models consistent with supervisory provisions, it is quantified through the historical experience of discounted recoveries on exposures that have become non-performing;
– EAD (Exposure At Default) or credit equivalent: amount of the exposure at the time of default.

As mentioned above, in order to comply with IFRS 9, specific adjustments had to be made to these factors, including in particular:
– adoption of a Point in Time (PIT) PD compared to the Through the Cycle (TTC) PD used for Basel purposes;
– removal of some additional components from the TTC LGD, such as indirect costs (non-recurring costs) and an additional margin of conservatism specifically introduced for the regulatory models, as well as the component linked to the economic downturn;
– the introduction of specific treatment in relation to the regulatory provisions, in order to estimate the accounting LGD, to include in the modelling (in line with the indications of IFRS 9 on using entity-specific information) the estimates of internal recoveries exceeding the regulatory threshold of the Maximum Recovery Period, i.e., the maximum time limit beyond which the Supervisory Authority assumes that nothing will be recovered;
– the use of PDs and, where necessary, multi-period LGDs, to determine the lifetime expected loss of the financial instrument (stages 2 and 3). To this end, it is specified that the contractual term of individual financial instruments is normally used to determine their residual life. Revolving and on-demand products are an exception as their duration is defined based on behavioural maturity, while maintaining a minimum duration of one year. These analyses are based on the modelling of core deposits developed with respect to financial risks;
– the introduction of specific treatments for financial instruments that have significant payment obligations only close to the maturity of the financial instrument (these instruments are repaid in a single instalment made up of principal and interest ("bullet instruments"), or have a significant portion of the principal repaid at the final maturity date of the contract ("balloon instruments")). For these instruments, the risk of default may not necessarily decrease over time. Consequently, an adjustment has been introduced in the ECL calculation of these types of financial instruments, modulating lifetime PDs according to the original and residual maturity of the exposures, applying adjustment factors that more realistically reflect the empirical distribution of defaults recorded historically. This adjustment applies to the entire portfolio of stage 2 performing loans and only to stage 1 counterparties with a residual maturity of less than one year and a non-investment grade macro rating class;
– the use of the effective interest rate of the individual transaction in the discounting of the expected future cash flows, unlike in the regulatory models, where the individual cash flows are discounted using the discounting rates determined in compliance with the prudential regulations.

In relation to the multi-period EAD, in line with IFRS 9 the Intesa Sanpaolo Group refers to the plans at amortised cost for both loans and debt securities, regardless of the measurement method used (amortised cost or fair value through other comprehensive income). For loan commitments (margins), on the other hand, the EAD is assumed to be equal to the nominal amount weighted according to a specific Credit Conversion Factor (CCF).

The measurement of the financial assets also reflects the best estimate of the effects of current and future conditions and in particular the economic conditions that affect the forward-looking PDs and LGDs. IFRS 9, also based on the guidance from the international regulators, gives particular importance to information on future macroeconomic scenarios in which the Bank may find itself and which clearly influence the situation of the debtors, with regard both to the "risk" of migration of exposures to lower quality classes (and therefore concerning the staging) and to the recoverable amounts (and therefore concerning the determination of the expected loss on the exposures). In terms of method, various possible alternative approaches designed to take account of these elements have been analysed. Of the various alternatives considered, the Intesa Sanpaolo Group has decided to adopt the "Most Likely scenario + Add-on" approach. According to this approach, the macroeconomic conditioning of PD and LGD is carried out through a baseline scenario ("Most-Likely", in line with the approach used for other business purposes such as, for example, the budget and business plans) and then corrected with an Add-On to include any differences compared to downside and upside scenarios. If the overall impact of the Add-On on the risk parameters is positive, the decision has been made to neutralise the effect for both staging and ECL calculation purposes.

The macroeconomic scenario is determined by the Bank's Research Department using forecasting models that are disclosed to the market to determine the consensus. Alternative upside and downside scenarios are determined through stress tests of the input variables of the forecasting models.

In particular, the most likely scenario and alternative scenarios are determined using a set of analytical and stand-alone forecasting instruments that determine the forecast path for several blocks of variables, namely:
– national accounts and inflation of the main Eurozone countries, the United States, the United Kingdom and Japan;
– official rates (ECB, Fed, BoJ), EUR and USD swap rate curves, and several points of the government curves;
– exchange rates for EUR, USD, JPY and GBP;
– stock market indices (DJ Eurostoxx 50 and S&P 500);
– Brent price;
– some specific data for the Italian economy (industrial production, real estate prices, employment, public finance balances).

These forecasts are then processed using the Oxford Economics multi-country structural Global Economic Model, where they replace the forecast paths of the baseline scenario provided by the company with the periodic updating of the database. The model is then solved to derive a consistent global forecasting framework, including variables for which no specific models have

been developed, and to obtain a simulation environment that can be used to generate alternative scenarios. This step may require some iterations, particularly if the forecasting framework generated internally is significantly different from the one provided by Oxford Economics. If this is the case, further fine-tuning may be needed for specific secondary variables that the analysts consider to be inconsistent with the forecast scenario or that have an unexplainable quarterly volatility.

The alternative paths are selected using external information. In particular:
– average annual GDP growth rates of several countries: this is the key driver for the simulation and the deviations are determined to replicate the dispersion of the growth estimates published by Consensus Economics in the most recent report available at the date of the simulation, considering the minimum and maximum forecasts (after applying a filter to identify and eliminate possible outliers). If there are outliers, these are discarded and the remaining maximum and minimum values are considered. Since consensus estimates are only available for the first two years of the simulation period, an extrapolation of the deviations identified for the first two years is used for the third year;
– stock market indices (DJ Eurostoxx 50, S&P 500) and US residential real estate prices: the minimum and maximum forecasts of the Thomson Reuters panel are used as a reference;
– Italian residential real estate prices: since no consensus estimates are currently available, the alternative paths are based on the distribution of the historical quarterly changes available from 1980 to the current quarter.

The percentile value identified is used, for the Most Likely scenario, to determine the variations corresponding to a probability gap, calculated through statistical analysis of the historical distribution of the observations. The two (positive and negative) changes with respect to the most-likely scenario are then used to calculate the level of the individual identified indices, reconstructing the two alternative paths (one positive and one negative) for each of them that represent the input for the determination of the Add-On. The probability gap used is identified based on the variability characteristics of the series, to obtain a significant deviation from the most-likely scenario.
In addition to defining the alternative paths, a map of possible additional factors is maintained, i.e., adverse idiosyncratic events or scenarios, not explicitly incorporated in the time series used for the construction of the most-likely scenario or in the alternative paths, which can generate further significant effects on expected losses.
The following is assessed for these events/scenarios:
– the possible time frame;
– the degree of inclusion in the most-likely scenario or the alternative paths;
– the potential impact, assessed in qualitative terms.

The map of additional factors also draws on the list of risk factors contained in the forecast reports of the IMF (World Economic Outlook) and the European Commission and may change over time.
Within the assessment of the time frame for the additional factors, note is made if the factor cannot be placed within a specific time period, which makes its incorporation into the most-likely scenario or alternative paths unfeasible.
The assessments made take account of the fact that the consensus estimates may include forecasts that already incorporate the total or partial realisation of one or more risk factors in their estimates, which means that the alternative paths may already incorporate these additional factors to some extent.
Where there is considerable uncertainty in the national and international macroeconomic forecasts, as well as significant deviations in terms of best-case forecasts with respect to the TTC scenario, prudential factors may be introduced in relation to the deviations in the minimum and maximum values of the variables based on the above-mentioned consensus or historical figures.
The above macroeconomic scenarios (Most Likely and alternative scenarios) are used in internal models to determine the point-in-time (PIT) parameters.
Specifically, the time series of default rates acquired from the Bank of Italy are differentiated over the main economic macro-sectors (e.g. consumer households, family businesses, construction) and, for each of these, specific satellite models establish the relationships with the macroeconomic variables in order to obtain the forecast default rates. In turn, these impact the TTC transition matrices between rating classes and thus provide the PIT transition matrices for each scenario (Most Likely and alternative scenarios). These give rise to the lifetime conditional PD.
In particular, the TTC matrices are calculated using internal default rates for the Corporate, Retail SME and Retail segments, whereas the Bank of Italy system rates are used for the Low Default segments, because the internal time series data for those segments is less extensive. The forward-looking point-in-time matrices, on the other hand, are calculated using the system default rates for all the segments.
A similar process is used to determine the PIT LGD grids.

Taking account of the repayment plans of the individual loans, their conditional PD and LGD, residual maturity and staging, the impairment of performing financial assets is determined.

Finally, with reference to the estimation methodologies of impairment of performing financial assets, in certain circumstances, the need may arise to make adjustments (valuation increases) to the results of the models adopted. That need may indicatively arise as a result of external events that are unexpected, which the bank cannot control and have potential consequences, also on a large scale, on the measurement of the ECL of the portfolios as a result of elements that otherwise are not adequately captured within the IFRS 9 framework. It must be noted that the IFRS 9 estimation methodologies are founded on experience-based assumptions, and are strongly anchored to historical observations, which are considered over a congruous time horizon and in a sufficiently stable backdrop. Therefore, in order to fully understand the effects of particular conditions of volatility or of possible significant economic deviations from the expected macroeconomic scenarios, also in relation to “emerging risks”, a specific reference framework was identified to take action - duly approved by the competent management bodies - to factor into ECL calculation further elements that are not yet and/or insufficiently covered by the models in use.
Specifically, the measurement of ECL in such situations is adjusted (increasing) via the following elements:
– a first impact (in-model adjustment) on the performing positions as a whole, in the case of specific economic times characterised by risks of significant deviation from the expected scenarios, estimated through the forward-looking conditioning model, with an impact on the individual risk parameters (PD and LGD), by identifying “extreme” scenarios, characterised by a probability of occurrence considerably contained and typical only of extreme events (therefore outside

the consensus ranges) with respect to the long-term macroeconomic scenario. The approach described also triggers a staging allocation effect with stage 2 classification of the counterparties deemed most vulnerable to extreme scenarios in relation to the assigned rating;
– a second impact (in-model adjustment) which aims to incorporate the effect of climate risk into credit risk parameters, with a focus on performing loans to businesses and mortgages to individuals. Specifically, the effects of transition and physical risk on the creditworthiness of companies are assessed by simulating the impact of climate risks on financial statements (with an impact on PD), as well as the impact of acute physical risks on the prospective value of real estate collateral for retail mortgages (with an impact on LGD). The effects are obtained by evaluating different climate scenarios (source: NGFS – Network for Greening the Financial System). The approach described also generates a staging allocation effect;

an additional impact (post-model adjustment) related to the effects - on "vulnerable" customers and at the same time belonging to subsectors of the loan portfolio, particularly exposed to the consequences of "emerging" risk factors - of the combination of evolving structural risks and new risks, with the exception of climate risk factored directly into the risk parameters (in-model adjustment) as indicated earlier. This enhances the information from credit quality monitoring processes. This latter valuation burden is determined for vulnerable customers belonging to higher-risk subsectors, by increasing the ECL in relation to the estimated greater risk. The approach described also triggers a staging allocation effect with stage 2 classification of the most vulnerable positions.

Impairment of non-performing financial assets

Non-performing loans are represented by bad loans, unlikely to pay and past due positions by more than 90 days.
Non-performing loans classified as bad loans are subject to the following measurement methods:
– analytical-statistical measurement, which is used for exposures of less than 2 million euro and is based on the use of specific LGD grids, plus an Add-On to take account of forward-looking information relating to the impact of expected future macroeconomic scenarios (as described in the previous paragraphs);
– analytical-specific measurement, which is used for customers with exposures exceeding 2 million euro and is based on the impairment percentages allocated by the manager, following specific analysis and measurements, also based on the Add-On to take account of forward-looking information, and in particular information relating to the impact of future macroeconomic scenarios (except for bad loans backed by mortgage collateral or relating to property leases for which the impact of future scenarios is included through the method used to determine the haircuts to the value of the properties pledged as collateral).

The measurement of unlikely-to-pay loans (UTPs) is also performed based on different approaches:
– analytical-statistical measurement, for exposures of less than 2 million euro, based on the use of specific LGD grids, plus an Add-On to take account of the impacts of future macroeconomic scenarios, as well as continuation in the risk status, in order to penalise positions with greater vintage or which have no movements and/or recoveries for a particular period of time;
– analytical-specific measurement, for on-balance sheet exposures of more than 2 million euro, based on the impairment percentages allocated by the manager, following specific analyses and assessments, plus an Add-On to take account, also in this case, of the impacts of future macroeconomic scenarios and of continuation in the risk status.

For Group companies, the threshold value for analytical-statistical measurement is set by the competent bodies of the individual companies, in coordination with the structures of Intesa Sanpaolo, at a level that is not, in any event, higher than that set by the Parent Company.

Regardless of the division of these exposures between those subject to analytical-statistical measurement and those subject to analytical-specific measurement (as identified above), the add-ons envisaged include the sales scenarios for the disposable non-performing loans if the business plan and the NPL reduction plan envisage sales and those sales do not lead to a reclassification pursuant to IFRS 5. The valuation of the disposable non-performing loans therefore considers the possibility of also realising these loans through their sale.

Non-performing loans classified in the past-due loans category, on the other hand, are subject to analytical measurement based on statistics, regardless of the amount of the exposure. However, also in this case, the adjustment determined based on the LGD statistical grids is supplemented to take account of the Add-On attributable to the effect of the evolution of the future macroeconomic scenarios.

Credit exposures must continue to be carried as non-performing for at least three months after they cease to meet the requirements for being classified as such (the "probation period"). Until the conditions are met for reclassification out of the non-performing category, such exposures are retained in their respective risk classes and measured according to an analytical-statistical or an analytical-specific approach taking account of their lower risk level.

A brief description is provided below of the methods used for the analytical-specific and analytical-statistical measurement:
– the analytical-specific measurement of bad loans and unlikely-to-pay loans above 2 million euro is a measurement performed by the managers of the individual positions based on a qualitative and quantitative analysis of the borrower's financial position, the riskiness of the credit relationship, the targets and strategies for reduction of the non-performing loans, and any mitigating factors (collateral), taking into account the financial impact of the estimated recovery time.

  For bad loans in particular, a series of elements are relevant, which differ according to the characteristics of the positions, and must be thoroughly and prudently assessed, including the following, listed merely as examples:
  - nature of the credit, whether preferential or unsecured;
  - net asset value of the borrowers/third party collateral providers;
  - complexity of existing or potential litigation and/or the underlying legal issues;
  - exposure of the borrowers to the banking system and other creditors;

- last available financial statements;
- legal status of the borrowers and any pending insolvency and/or individual proceedings.

In order to determine the estimated realisable value of loans secured by real estate, and to take into account both historical recovery data of recoveries and the forward-looking information in accordance with IFRS 9, an approach is applied focused on the valuation of real estate based on the expected average auction price and the related reduction in the observed price, with the calculation of average haircuts that differ according to the type of real estate collateral (residential, commercial, industrial, further differentiated depending on whether the property is completed or under construction, in addition to land). The resulting clusters of real estate collateral are subsequently differentiated depending on the location of the asset, with reference to the effectiveness of the socio-economic fabric in which the asset is located, i.e. based on the capacity of that geographical area to achieve auction results that represent the maximum realisable value of the asset. Accordingly, to avoid duplications, a macroeconomic Add-On is not used in the analytical-specific measurement for bad mortgage loans, because the forward-looking component is already taken into account through the haircut.
For real-estate bad loans arising from lease contracts, in view of the particular nature of the product (lack of auctions), the haircut is estimated as the depreciation of the asset with respect to the appraised value observed at the time of classification as non-performing and the actual price of sale.

In addition, for unlikely-to-pay loans, the measurement is based on a qualitative and quantitative analysis of the borrower's financial position and on precise assessment of the risk situation.
The calculation of the impairment loss involves the valuation of the future cash flows that the borrower is considered to be able to generate and that will also be used to service the financial debt. This estimate must be made based on two alternative approaches:

- the going concern approach: the operating cash flows of the borrower (or the beneficial owner) continue to be generated and are used to repay the financial debts contracted. The going concern assumption does not rule out the realisation of collateral, but only to the extent that this can take place without affecting the borrower's ability to generate future cash flows. The going concern approach is also used in cases where the recoverability of the exposure is based on the possible sale of assets by the borrower or on extraordinary transactions. Similarly to the case of bad loans, haircuts are also used in measuring real-estate collateral for unlikely-to-pay positions. For going-concern positions, these haircuts are determined on the basis of the haircuts applied in the liquidation process (gone-concern bad loan or UTP position), while applying a calibration factor equal to the probability of migration of the UTP positions to the bad loan category;
- the gone concern approach: applicable in cases when it is believed that the borrower's cash flows will cease. This is a scenario that can apply to positions that are expected to be classified as bad loans. In this context, assuming that shareholders' interventions and/or extraordinary operations to restructure debt in turnaround situations are not reasonably feasible, recovery of the credit is essentially based on the value of the collateral that secures the Bank's credit claim, net of the application of a haircut (determined as for bad loans) and, alternatively, on the realisable value of the assets, taking into account the liabilities and possible pre-emptive claims;

– the analytical-statistical measurement, performed for bad loans and unlikely-to-pay loans of less than 2 million euro and for past-due loans has specific features according to the type of exposure involved.

With respect to non-performing counterparties belonging to the Corporate and Retail SME regulatory segments, the analytical-statistical measurement is based on the Defaulted Asset LGD grids which consider the losses observed on non-performing positions throughout the entire default period, regardless of the risk statuses observed (bad loans, unlikely to pay and past due and/or overdue for more than 90 days). The Defaulted Asset LGD model, in addition to considering the technical form, the presence of eligible personal or state guarantees and mortgage collateral (with an opening for Value to Loan) as predictive variables for the LGD of performing loans, also considers the following as specific variables for non-performing loans: the vintage, the type of risk status (bad loans vs. other) and, only for bad loans, the existence of judicial debt recovery procedures. The recovery time grids are mainly broken down by regulatory segment and by additional significant analysis axes used in the modelling (e.g. Vintage, type of risk status).

With respect to the other regulatory segments (essentially Retail), the analytical-statistical measurement is obtained by defining LGD grids based on the estimate of recoveries observed solely on bad loan positions (Bad Loan LGD). For unlikely to pay and past-due loans, this LGD is adjusted by recalibrating the Bad Loan LGD using the Danger Rate module, i.e. a multiplier to be applied to the Bad Loan LGD in order to take into account the loss rates recordable in the various default statuses (unlikely to pay or past due).
Also in the LGD estimation models used in the analytical-statistical measurement of non-performing exposures, several additional components specifically included for regulatory models are removed, similar to that illustrated for performing exposures.

With regard to the inclusion of current and forward looking information, it should be noted that, for non-performing exposures, a statistically estimated component (Add-On from macroeconomic scenario) linked to the most-likely and downside scenarios expected over the period of the next three years is also considered, according to the criteria already described.
In fact, as required by IFRS 9, the effects of the forward-looking scenario on LGD estimates must also be considered and the aforementioned component is aimed at capturing the non-linearity of the relationship between the macroeconomic variables and ECL measurement, by analysing the forecast uncertainty of the variables used for the preparation of the most-likely scenario. It is based on the methodological framework that is used for performing loans, but ignores the upside scenario from a prudential perspective and only considers the average downside and most-likely scenarios over the period of the next three years.

Also in terms of future scenarios, with regard to the unlikely to pay category, which includes positions that are still performing but show signs of difficulty, both for positions with analytical-specific measurement and those with analytical-statistical

measurement, when there are no effective forbearance measures, an additional component shall be applied (in addition to the aforementioned add on from the macroeconomic scenario) to reduce the recoverable amount of the positions based on their vintage in the risk status and the absence of movements and/or recoveries in a specific period of time.

With regard to the alternative recovery scenarios, the Intesa Sanpaolo Group, in relation to the objectives of reducing the stock of outstanding non-performing loans, included in its business plans, and the commitments made to the Supervisory Authorities, with specific regard to the NPL Strategy, considers the sale of particular portfolios as the strategy that, in certain conditions, can maximise the cash flow recovery, also considering the recovery times.
Consequently, the "ordinary" scenario, which assumes a recovery strategy based on the collection of credit, typically through legal actions, mandates to credit recovery companies and the realisation of mortgage collateral, is also been accompanied - where applicable and as an alternative recovery strategy - by the scenario of the sale of the loan.
Where company plans and Group strategies identify disposal objectives and, as a result, a portfolio of non-performing loans that may be disposed of, until the disposal objectives are reached, the loans and receivables included in that portfolio shall be measured taking account of both the amount recoverable through operating activities and market valuations (based on external appraisals) and/or sales prices, if already defined.
In particular, where a larger loan portfolio that may be sold represented by Group loans that are disposable (thus, for example, positions that are not involved in disputes, as per precise indication by the management structures and which are not subject to synthetic securitisation), in relation to the sales objectives is identified, the book value of said portfolio is determined by weighting the recoverable amount through operating activities with the amount recoverable through sale.
More specifically, the recoverable amount of disposable non-performing loans is quantified as the average between (i) the value in the event of sale (fair value) and (ii) the collection amount, weighted on the basis of the percentage of the loans eligible for sale - determined as the ratio between the target volume of loans to be sold and the respective non bankruptcy-remote portfolios having the same profile, i.e. as a percentage that reflects the probability of sale of the portfolios whose disposal is considered highly probable. The "collection amount" was determined according to the ordinary methods adopted by the Group for the impairment of non-performing loans, i.e. based on the individual measurement of the exposures exceeding a defined threshold and based on an analytical-statistical measurement for the others. The measurement of the value in the event of sale is carried out by an external expert, based on market valuations.
However, where the positions to be sold are specifically identified, those positions shall be measured exclusively taking account of the market values established by external experts, based on a specific fairness opinion or, if already defined through a binding agreement with the buyer, the sales price. Those loans are also reclassified as assets held for sale.

As already mentioned, the purchased or originated credit-impaired (POCI) financial assets have specific features in terms of impairment. As a result, value adjustments equal to the lifetime ECL must be recognised on these instruments from their initial recognition date and for their entire lifetime. At each subsequent reporting date, the amount of the lifetime ECL must therefore be adjusted, with the recognition through profit or loss of the amount of any change in lifetime expected credit losses as a gain or an impairment loss. In view of the above, POCI financial assets are initially recognised in stage 3, subject to the possibility of being subsequently transferred to the performing loans stage, even if an expected loss equal to the lifetime ECL will continue to be recognised.

Lastly, with regard to non-performing loans, it is highlighted that the Intesa Sanpaolo Group uses the – full or partial – write-off/derecognition of unrecoverable accounting positions and, in the following cases, the consequent allocation to loss of the remainder that has not yet been adjusted:

- uncollectability of the debt, as a result of definite and precise elements (such as, for example, untraceability and indigence of the debtor, lack of recovery from realisation of securities and real estate, negative foreclosures, bankruptcy proceedings closed with no full compensation for the Bank, if there are no further guarantees that can be enforced etc.);
- waiver of the credit claim, due to the unilateral cancellation of the debt or residual amount as a result of settlement agreements;
- no waiver of the credit claim. With regard to the full or partial write-offs without waiver of the credit claim, in order to avoid maintaining loans on the balance sheet that have a very low possibility of recovery, despite continuing to be managed by the recovery structures, they are fully or partially written off due to uncollectability even if the legal proceedings have not been closed. The write-off can only involve the portion of the loan covered by provisions and, therefore, each loan can only be written off up to the amount of its net book value. Therefore, on a periodic basis, the Group identifies the bad loan portfolios to be subject to total or partial write-offs with the following macro-characteristics:
  - percentage cover of 100% and a vintage (understood as the period of time in "bad loan" status) of >1 year;
  - percentage cover of >95% and a vintage (understood as the period of time in "bad loan" status) of >5 years or >8 years, respectively, for non-mortgage and mortgage loans.

Portfolios to be written off can also be identified that have similar characteristics that are different from those indicated above, but that relate to exposures that have a marginal possibility of recovering the amount of the provision, where the minimum amount of the provision (calculated taking into account the accumulated write-offs on the position, according to the same rule established at prudential level by the calendar provisioning framework) is at least equal to the amount needed to bring the value of the exposures up to their fair value estimated based on the prices recorded in the latest sales of bad loans made by the Group.

Impairment of investments in associates and companies subject to joint control

At each reporting date the investments in associates and companies subject to joint control are subjected to an impairment test to assess whether there is objective evidence to consider that the carrying value of such assets is not fully recoverable.
The process of detection of any impairment involves the verification of the presence of impairment indicators and the determination of any write-down. The impairment indicators are essentially divided into two categories: qualitative and quantitative indicators.
Qualitative indicators include:

– the generation of negative economic results or in any case a significant variance with respect to the targets budgeted or established in the multi-year plans disclosed to the market;
– the announcement/initiation of insolvency proceedings or restructuring plans;
– the downgrading by more than two rating classes;
– failure to discharge payment obligations for debt securities issued fully and in a timely manner;
– use of industrial policy tools aimed at responding to a serious crisis or allowing companies to face restructuring/reorganisation processes.

Quantitative indicators include:

– a reduction in fair value of over 30% below the carrying value or for a period of over 24 months;
– a market capitalisation lower than the company's net book value, in the case of securities listed on active markets, a carrying value of the investment in the Parent Company's financial statements higher than the carrying value in the consolidated financial statements of the investee's net assets and goodwill, or distribution by the investee of a dividend that is higher than its total income.

The presence of impairment indicators results in the recognition of a write-down to the extent that the recoverable amount is lower than the recognition value.
The recoverable amount consists of the higher of the fair value and the value in use, less costs to sell.
For an illustration of the valuation techniques used to determine fair value, see the specific Section A.4 – Information on fair value.
Value in use is the present value of expected future cash flows from the asset; it reflects estimated expected future cash flows from the asset, the estimate of possible changes in the amount and/or timing of cash flows, time value of money, the price able to repay the risk of the asset and other factors, which may affect the appreciation by market participants of expected future cash flows from the asset.
Value in use is determined by discounting future cash flows.

Impairment of non-financial assets

Property, equipment and intangible assets with definite useful life are subject to impairment testing if there is the indication that the book value of the asset may no longer be recovered. The recoverable amount is determined with reference to the fair value of the property and equipment or intangible assets less costs to sell or the value in use, if determinable and if it is higher than fair value.
For property and equipment other than real estate and valuable art assets and intangible assets (other than those recognised following business combinations) it is assumed that the carrying amount normally corresponds to the value in use, since it is determined by a depreciation or amortisation process estimated on the basis of the effective contribution of the asset to the production process and since the determination of fair value is extremely subjective. The two values diverge and lead to impairment in case of damages, exit from the production process or other similar non-recurring circumstances.

As clarified in the discussion of “Property and equipment and intangible assets”, the Group measures owner-occupied properties and valuable art assets according to the revaluation model; in this case, any impairment loss on a revalued asset must be treated as a decrease in the revaluation up to the relevant amount, after which any difference is taken to the income statement.
As described in the Information on fair value - “Fair value of real estate and valuable art assets”, for owner-occupied properties each year a scenario analysis is conducted on trends in the real-estate market to assess whether there are any significant deviations in the value of the assets. If significant changes are identified (+ or - 10%), an updated appraisal is prepared to adjust the fair value of the asset to the valuations of the real estate market. If there are no significant differences, the value is redetermined through a new expert appraisal every two years for “trophy assets” (i.e. particularly prestigious properties used by management functions located in the main cities where the bank is based or properties of particular historical and artistic interest because they are listed by the Ministry of Culture) and every three years for other owner-occupied properties.
For the valuable art assets, the revaluation is carried out by means of a new expert appraisal every three years. However, a scenario analysis is carried out annually to identify any appreciable changes in value in order to bring forward the valuation. If the annual monitoring identifies a possible positive or negative value deviation of more than 15% for individual works of artists, new appraisals are commissioned.
Intangible assets recognised following a business combination and in application of IFRS 3 are subjected to an impairment test at each reporting date to assess whether there is objective evidence that the asset may have been impaired. Intangible assets with a finite life, represented by the value of the asset management portfolio, core deposits and the value of the insurance portfolio, in the presence of impairment indicators are subjected to a new valuation process to assess the recoverability of the book values. The recoverable amount is determined on the basis of the value in use, namely the present value estimated using a rate representing the time value of money and the asset’s specific risks, of the income margins generated by the existing relations as at the valuation date over a period which expresses their expected residual life.
Intangible assets with an indefinite life, represented by the valuation of the brand name and goodwill, do not have independent cash flows and therefore annually undergo an assessment of the adequacy of the value recorded under the assets with reference to the Cash-Generating Unit (CGU) to which the values are attributed at the time of the business combinations. The amount of any impairment is determined on the basis of the difference between the CGU’s book value and its recoverable amount represented by the higher of the fair value, less costs to sell, and the value in use.

The book value of the CGUs must be determined in a manner consistent with the criterion used to determine their recoverable amount. For a banking business, the cash flows generated by a CGU cannot be identified without considering the cash flows deriving from financial assets/liabilities, as these form part of the core business.
In other words, the recoverable amount of the CGUs is influenced by the aforementioned cash flows and therefore the CGUs' book value must include financial assets/liabilities in accordance with the scope of the recoverable amount estimate process. Consequently, these assets and liabilities must be properly allocated to the associated CGUs.
On this basis, the book value of Intesa Sanpaolo's CGUs may be determined in terms of contribution to consolidated shareholders' equity including the minority interest.
Thus, the carrying amount of the CGUs consisting of companies that belong to a single operating division or consist of a single legal entity (Asset Management, Private Banking, Insurance and International Banks) is determined by summing the individual carrying amounts of each company in the consolidated financial statements, namely the contribution to consolidated shareholders' equity and corresponding to their net book value, taking into account any goodwill and intangibles recorded upon acquisition (net of subsequent amortisation and any write-downs) and the consolidation entries. With regard to the determination of the carrying value of the other two divisions (Banca dei Territori and IMI Corporate & Investment Banking), given that the Parent Company and other banks contribute to the management of these divisions, and this subdivision is not represented in the accounting information, the overall carrying value of the CGUs cannot be determined on the basis of book values. As a consequence, the use of operational factors is required to make the subdivision following a detailed allocation of the intangibles and goodwill to the two CGUs in accordance with the available accounting information. The operational driver is identified as the "regulatory capital" determined by the structures of Market & Financial Risk Management for each operating division: it represents the capital absorption necessary to handle the types of risk envisaged by the regulatory supervision rules. The resulting book values already take into account the effects of any impairment of the individual assets, including those relating to intangible assets with a finite life.
For an illustration of the valuation techniques used to determine fair value, see Section A.4 – Information on fair value.

The value in use of a CGU is determined by estimating the present value of future cash flows that may be expected to be generated by the CGU. These cash flows are determined by using the latest publicly available business plan or, in its absence, through the drawing up by management of an internal forecast plan or other external information available. The forecasting period for the analysis usually consists of a maximum of five years. The cash flow of the final year of the forecast is projected in perpetuity, using an appropriate growth rate "g" for the purposes of the so-called Terminal value. The "g" rate is determined by assuming that the growth factor is the lower of the average growth rate for the forecasting period of the analysis and the average rate of increase in the Gross Domestic Product in the countries where the cash flows are generated.
For the determination of the value in use, the cash flows must be discounted at a rate that reflects the present valuations of the time value of money and the asset's specific risks. Specifically, the discount rates used incorporate the risk free component and the premiums for the risk associated with the equity component observed over a sufficiently long time period to reflect different market conditions and economic cycles. In addition, given the diverse risks of the respective operating areas, different Beta coefficients are used for each CGU. All the resulting rates have been adjusted to take into account the "country risk".
The cash flows produced by the international subsidiaries are estimated in the currency in which they are generated and translated into euro using the spot exchange rate as at the date of the determination of the value in use.
With regard to the intangible asset represented by the brand name, if the reference CGU does not have any goodwill allocated and, as a result, it is not possible to test the recoverable amount of the specific intangible as part of the impairment test of the goodwill based on total cash flows at the level of the CGU, then an independent and specific valuation is made on the basis of the fair value certified by the appraisal of an independent expert.

Business combinations

Business combinations are governed by IFRS 3.
The transfer of control over a company (or over a group of assets managed together as a single business) is considered a business combination.
To this end, control is deemed to have transferred when the investor is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns by exercising its power over the investee.
IFRS 3 requires that an acquirer be identified in any business combination. The acquirer is identified as the combining entity that obtains control of the other combining entities or businesses. If a controlling entity cannot be identified, following the definition of control described above, as for example in the case of exchange of equity investments, the identification of the acquirer must occur considering other factors such as: the entity which has a significantly higher fair value, the entity which pays a cash consideration, the entity which issues new shares.
The acquisition, and therefore the initial consolidation of the acquired entity, must be recognised in the books on the date in which the acquirer effectively obtains control over the acquired company or businesses. When the combination occurs via an exchange of voting ordinary equity instruments, the date of the exchange usually coincides with the date of the acquisition. However, it is always necessary to verify that there are no agreements which may lead to transfer of control prior to the date of the exchange.
The consideration transferred as part of a business combination is equal to the sum of the fair value, at the exchange date, of the transferred assets, the liabilities incurred or assumed and the equity instruments issued by the acquirer in return for control. In transactions which entail cash consideration (or when payment occurs via cash-equivalent financial instruments), the purchase price is the agreed consideration. When settlement does not occur in the short-term, the fair value of any deferred component is calculated by discounting the amounts payable to their present value; when payment occurs via an instrument other than cash, therefore via the issue of financial instruments, the price is equal to the fair value of such instruments net of the costs directly attributable to their issue. For the determination of fair value of financial instruments, see Section A.4 – Information on fair value and note that, in the case of shares quoted on active markets, fair value is represented by Stock Exchange price at acquisition date or, should that not be available, the last price available.
Purchase price at acquisition date includes any adjustments to the cost contingent on future events, if provided for by the combination agreement and only if the adjustment is probable, can be measured reliably and realised within the twelve months subsequent to the date of acquisition of control. Instead, any restoration related to any loss in the value of the assets used as

consideration is not included in purchase price since it is already considered either in the fair value of equity instruments or as a reduction in the premium or an increase in the discount on the initial issue of debt instruments.
Acquisition costs refer to the charges incurred by the acquirer to carry out the business combination, including, for example, professional fees paid to independent auditors, experts, legal advisors, costs for legal opinions and audit of accounts, preparation of information documents required by the law, as well as advisory fees sustained to identify potential acquisition targets if the contract provides for the payment of success fees as well as debt securities' or equities' registration and issue costs.
Acquisition costs must be recognised as charges when incurred and when the related services are provided, except for the costs relating to the issue of debt securities or equities which must be recognised in accordance with IAS 32.
Business combinations must be accounted for using the "acquisition method" whereby identifiable assets acquired (including any intangible assets which had not been previously recognised by the acquired company) or liabilities assumed (including contingent liabilities) are recognised at their fair value at acquisition date.
Moreover, as specifically required by IFRS 3, for each business combination, any minority interest in the acquired company can be recognised at fair value (therefore increasing the consideration transferred) or in proportion to the minority investment in the net identifiable assets of the acquired companies.
If control is achieved in stages, the acquirer recalculates its previous interest in the acquired company at the acquisition date fair value. Any difference with respect to the previous carrying value is taken to income statement.
Excess between the consideration transferred (being the fair value of transferred assets, liabilities incurred and equity instruments issued by the acquirer), increased, where present, by minority interests (determined as above) as well as the fair value of the stakes already held by the acquirer, and the fair value of acquired assets and liabilities should be recognised as goodwill. Conversely, such difference is taken to the income statement when the latter exceed the sum of the consideration, minority interests and the fair value of the stakes already held.
The accounting for business combination can be determined provisionally by the end of the year in which the combination is realised and must be completed within twelve months of the acquisition date.
In accordance with IFRS 10, acquisitions of further stakes in companies which are already controlled are accounted for as a capital transaction or as a transaction with shareholders acting in their capacity as shareholders. For this reason, the difference between the cost of the acquisition and the book value of the minority stakes acquired is posted to Group shareholders' equity; in the same way, the sale of minority stakes without ceding control, does not generate gains or losses in the income statement but is posted to Group shareholders' equity.
The following transactions are outside the scope of business combinations: transactions aimed at acquiring control over one or more entities which are not part of the company's business; transactions aimed at acquiring transitory control; transactions conducted for organisational purposes, therefore between two or more companies or businesses which are already part of the Intesa Sanpaolo Group, and which do not entail changes in control, independently of the extent of minority interests in each of the combining entities before and after the business combinations (business combinations involving entities under common control). These transactions are considered immaterial. Therefore, since there are no specific provisions in IAS/IFRS and in compliance with IAS 8 which requires – in the absence of a specific standard – that the reporting entity must use its judgement in applying an accounting policy that results in information that is relevant, reliable, prudent and that reflects the economic substance of the transaction, these are accounted for safeguarding the continuing values in the financial statements of the acquirer.
Mergers are examples of combinations between companies and represent the most complete business combinations, since they imply the legal and economic unification of the merged entities.

Mergers which entail the establishment of a new legal entity and mergers by incorporation (which entail that an entity is absorbed by another existing entity) are treated according to the criteria illustrated above, that is:
– if the transaction leads to the transfer of control of a company, it is accounted for as a business combination as provided for by IFRS 3;
– if the transaction does not lead to the transfer of control, it is accounted for by privileging the continuity of the values.

Criteria for the preparation of segment reporting

The Intesa Sanpaolo Group's segment reporting is based on the elements that the management uses to make its own operating decisions (the "management approach") and is therefore consistent with the disclosure requirements of IFRS 8.

The Intesa Sanpaolo Group's organisational model is structured according to six business segments with specific operational responsibilities and similar characteristics in terms of the type of products and services offered: Banca dei Territori, IMI Corporate & Investment Banking, International Banks, Asset Management, Private Banking and Insurance. In addition to these operating areas there is the Corporate Centre which is responsible for guidance, coordination and control of the whole Group. The Corporate Centre also includes the following support structures: Group Treasury & Capital Management, NPE Head Office Department and the Strategic Asset & Liability Management (ALM) activities.

For the purposes of preparation of the Segment Reporting, the income statement and balance sheet results attributed to the various business sectors were calculated according to the accounting principles used in the preparation and presentation of the consolidated financial statements. Use of the same accounting standards allows segment data and consolidated data to be effectively reconciled. To represent results more effectively and give a better understanding of the components that generated them, the reclassified income statement for each reporting segment is presented with values that express the contribution made by each segment to the Group's results.

The contribution of the various Divisions and of the Corporate Centre to the Group's overall income statement results is determined according to the methods described below:

– application of the contribution model with Internal Fund Transfer Pricing (FTP), differentiated on the basis of the maturity of the individual transaction, for the correct attribution of net interest income;
– application, by virtue of specific contractual agreements between the Group banks/companies, of retrocession rules for economic components relative to transactions which set out the distribution of results between product factories/service units and relationship entities/customer units;
– direct cost debiting to each Business Division and to the Corporate Centre;
– application of the Group business accounting model, for the part within its remit, for the charging of the costs for the services provided by the head-office structures of the Parent Company belonging to the Corporate Centre to the Business Divisions and other Structures of the Corporate Centre, as well as the costs relating to the performance of steering and control activities;
– application of customer portfolio/segmentation logics for the assignment to each Division and to the Corporate Centre of the economic results of operations with customers and of the net adjustments to loans.

Business units' profits are shown net of the tax effect, calculated by applying the main components underlying the effective tax rate, in line with the Group tax policy.

The economic results of the business operational segments are disclosed net of intragroup relations within each segment and gross of intragroup relations between different business operational segments.

For each Division and for the Corporate Centre, the absorbed capital is also calculated on the basis of the Risk Weighted Assets (RWAs) determined in accordance with the applicable regulations and supplemented, where necessary, with management data on "economic" capital to take into account the risks not covered by the regulatory metric.

To complete business operational segment reporting, the most relevant income statement data and balance sheet aggregates referred to the geographical areas in which the Group operates are also given. Geographical areas are defined on the basis of the territorial breakdown of Group activities. Three main geographical areas have been identified, based on the residence of the legal entities making up the Group: Italy, Europe and Rest of the World.

A.3 – INFORMATION ON TRANSFERS BETWEEN FINANCIAL ASSET PORTFOLIOS

Following the adoption of IFRS 9, the Intesa Sanpaolo Group did not make changes to its business model for managing its financial assets and, therefore, no transfers occurred between portfolios of financial assets.
According to the general rules established by IFRS 9 on the reclassification of financial assets (except for equity instruments, for which no reclassification is permitted), reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for those financial assets. Such changes are expected to be extremely rare and must be decided by the management following significant external or internal changes that can be demonstrated to external parties.

A.3.1 Reclassified financial assets: change in business model, book value and interest income

No disclosure is required since there are no reclassified financial assets recognised under balance sheet assets.

A.3.2 Reclassified financial assets: change in business model, fair value and effects on comprehensive income

No disclosure is required since no transfers were carried out between portfolios of financial assets in 2025.

A.3.3 Reclassified financial assets: change in business model and effective interest rate

No disclosure is required since there are no reclassified financial assets recognised under balance sheet assets.

A.4 – INFORMATION ON FAIR VALUE

FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES, INDEPENDENT PRICE VERIFICATION AND PRUDENT VALUATION

FAIR VALUE, INDEPENDENT PRICE VERIFICATION AND PRUDENT VALUE OF FINANCIAL INSTRUMENTS

The framework of financial measurement at fair value is based on three pillars: fair value measurement according to the IAS/IFRS, independent price verification (IPV) and prudent value measurement. The latter two are established by the Capital Requirements Regulation (CRR). The paragraphs below describe the methods applied by the Intesa Sanpaolo Group to implement and use those elements.

General fair value principles

The Intesa Sanpaolo Group governs and defines the fair value measurement of financial instruments through the "Group Guidelines and Rules for Valuation of Financial Instruments at Fair Value", prepared by Market & Financial Risk Management and applied by the Parent Company and all consolidated subsidiaries, including the insurance companies.

The "Guidelines for Valuation of Financial Instruments at Fair Value", once a favourable opinion has been given by the Group Financial Risks Committee, are revised and approved at least on an annual basis by the Board of Directors, with the support of the Risks and Sustainability Committee. The "Rules for Valuation of Financial Instruments at Fair Value" are reviewed, revised and approved at least on an annual basis by the Group Financial Risks Committee, which is specifically delegated to do so by the Management Bodies, and which also reviews material changes and updates proposed by Market & Financial Risk Management.
The "Rules for the measurement of unlisted equity investments", drawn up by Group Shareholdings and approved by the Group Financial Risks Committee, govern the fair value measurement of unlisted equities and financial instruments with unlisted equities as their underlying.

IFRS 13, which harmonises the measurement rules and the related disclosure, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e. not as part of the compulsory liquidation or a below-cost sale) as at the measurement date. Fair value is a market measurement criterion, not specifically referring to a single Bank. Underlying the definition of fair value is the assumption that the Bank is carrying out normal operations, without any intention of liquidating its assets, significantly reducing the level of operations or carrying out transactions at unfavourable conditions.
The Bank measures the fair value of an asset or liability by adopting the assumptions that would be used by market participants when pricing an asset or liability, presuming that they act with a view to satisfying their own economic interest in the best way possible. Measurement at fair value presumes that the asset is sold or the liability transferred:
– in the principal active market for the asset or liability;
– in the absence of a major market, in the most advantageous active market for the asset or liability.
The Bank is not required to conduct an exhaustive study of all possible markets to identify the major market or, in the absence of the major market, the most advantageous market, but must take into account all the reasonably available information. If there is no evidence to the contrary, the market that the entity normally operates in to sell the asset or transfer the liability is assumed to be the major market or the most advantageous market, if there is no major market. The Intesa Sanpaolo Group considers the principal market of a financial asset or liability to be the market in which the Intesa Sanpaolo Group generally operates.

In accordance with IFRS 13, the Group considers an active market to be a market where transactions in an asset or liability occur with sufficient frequency and volume to provide useful information for determining price on an ongoing basis. More specifically, a financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

In specific cases, governed by the Guidelines and Rules for Valuation of Financial Instruments at Fair Value, and despite being quoted on regulated markets, relevant research is carried out to verify the significance of the official market values. In the event of a significant reduction in the volume or level of operations compared to normal operations for the asset or liability (or for similar assets or liabilities) highlighted by a number of indicators (number of transactions, limited significance of market prices, significant increase in implicit premiums for liquidity risk, widening or increase of the bid-ask spread, reduction or total lack of market for new issuances, limited publicly-available information), analyses of the transactions or of the quoted prices must be carried out. A reduction in the volume or the level of activity alone may not indicate that the price of a transaction or the quoted price does not represent fair value or that the transaction in that market is not ordinary. If an entity determines that a transaction price or quoted price does not represent fair value (e.g., non-ordinary transactions) an adjustment to the transaction prices or listed prices is required if the entity uses those prices as the basis for fair value measurement and that adjustment may be significant with respect to the fair value as a whole.

The fair value of financial instruments

The presence of quoted prices in an active market represents the best evidence of fair value and these prices are therefore the quoted prices to be used on a priority basis for the measurement of financial assets and liabilities. If there is no active market, the fair value is determined using valuation techniques aimed, ultimately, at establishing the price the product would have had, at the measurement date, in an arm's length exchange motivated by normal business considerations.
The choice of the above measurement methods is not optional, because they must be applied in hierarchical order: the availability of a price stated in an active market prevents the use of one of the other measurement approaches.

Inputs of the valuation techniques

The inputs are defined as the assumptions that market participants would have used to determine the price of the asset or the liability, including assumptions regarding risk, such as, for example, the risk relating to a particular valuation technique used to measure fair value or the risk relating to the inputs of the valuation technique. The inputs may be observable or unobservable.
Observable inputs are those produced using market data, such as publicly available information on operations or actual events, which reflect the assumptions that market participants would use in determining the price of the asset or the liability.
Unobservable inputs are those for which no market information is available and that are produced using the best available information regarding the assumptions that market participants would use to determine the price of the asset or the liability.

Fair value hierarchy

IFRS 13 establishes a fair value hierarchy in which inputs to fair value measurement techniques are divided into three levels. That hierarchy assigns top priority to (unadjusted) quoted prices on active markets for identical assets or liabilities (level 1 data) and the lowest priority to unobservable inputs (level 3 data). Specifically:

– fair value level 1 applies when an instrument is measured directly on the basis of (unadjusted) quoted prices on active markets for identical assets or liabilities to which the entity has access on the measurement date;
– fair value level 2 applies when a price has not been found on an active market and the instrument is measured according to valuation techniques, on the basis of observable market parameters, or of the use of parameters that are not observable but are supported and confirmed by market evidence, such as prices, spreads or other inputs (the comparable approach);
– fair value level 3 applies when fair value is measured using various inputs, not all of which are directly drawn from observable market parameters, and which thus entail estimates and assumptions by the valuator.

If various inputs are used to measure the fair value of an asset or liability, classification in the hierarchy is determined on the basis of the lowest-level input used in measurement. When assigning a level in the fair value hierarchy, priority is given to the inputs of the valuation techniques rather than the valuation techniques themselves.
The attachment "Fair Value Hierarchy Rules" to the "Rules for Valuation of Financial Instruments at Fair Value" defines, with regard to the respective financial instrument valuation models/inputs, the basic rules that market inputs must comply with in order to be classified as Level 2, and the significance thresholds which, when overrun, result in the assignment of Level 3.

For level 1 financial instruments, the current bid price is used for financial assets and the current ask price for financial liabilities, struck on the principal active market at the end of the reference period.
For financial instruments with a scarcely significant bid-ask spread or for financial assets and liabilities with offsetting market risks, mid-market prices are used (again referred to the last day of the reference period) instead of the bid or ask price.
The following are considered level 1 financial instruments: contributed bonds (i.e. bonds for which the Composite Bloomberg Bond Trader is available from the Information Provider Bloomberg, or, alternatively, a price on the EuroMTS circuit, or at least three prices available from the Information Provider Bloomberg), contributed equities (i.e., quoted on the official market of reference), contributed UCITS funds (covered by EU directives), spot exchange rates, and derivatives for which prices are available on an active market (for example, exchange traded futures and options) and UCITS hedge funds.
Conversely, all other financial instruments that do not belong to the above-described categories or that do not have the contribution level defined by the Guidelines and Rules for Valuation of Financial Instruments at Fair Value are not considered level 1 instruments.

When no listing on an active market exists or the market is not functioning regularly, that is when the market does not have a sufficient and continuous number of trades, and bid-ask spreads and volatility that are not sufficiently contained, the fair value of the financial instruments is mainly determined through the use of valuation techniques whose objective is the establishment of the price at which, in an orderly transaction, the asset is sold or the liability transferred between market participants, as at the measurement date, under current market conditions.
In the case of instruments classified as level 2, the valuation is based on prices or credit spreads presumed from the official listing of instruments which are similar in terms of risk factors, using a given calculation methodology (valuation model). The use of this approach requires the identification of transactions on active markets in relation to instruments that, in terms of risk factors, are comparable with the instrument to be measured. Level 2 calculation methodologies reproduce prices of financial instruments quoted on active markets (model calibration) and do not contain discretional parameters – parameters for which values may not be inferred from quotations of financial instruments present on active markets or fixed at levels capable of reproducing quotations on active markets – that significantly influence the final measurement.

The following are measured using level 2 input models:
– bonds without official quotations expressed by an active market and whose fair value is determined through the use of an appropriate credit spread which is estimated starting from contributed and liquid financial instruments with similar characteristics;
– loans whose fair value is determined through the use of an appropriate credit spread which is estimated starting from market data of financial instruments with similar characteristics;
– derivatives measured through specific models, fed by input parameters (such as yield, foreign exchange and volatility curves) observed on the market;
– structured credit products (including, among others, ABS – Asset Backed Securities, CLO HY - Collateralized Loan Obligations High Yield and CDO - Collateralized Debt Obligations) for which significant prices are not available and whose fair value is measured using valuation techniques that consider parameters that can be gathered from the market;
– non-contributed equity instruments measured based on direct transactions, that is significant transactions on the stock registered in a time frame considered to be sufficiently short with respect to measurement date and in constant market conditions, or using the "relative" valuation models based on multipliers;
– non-UCITS hedge funds, provided the Level 3 instruments do not exceed a set threshold.

In case of instruments classified as level 3, the calculation of the fair value is based on valuation models which consider input parameters not directly observable on the market, therefore implying estimates and assumptions on the part of the valuator. In particular, the valuation of the financial instrument uses a calculation methodology which is based on specific assumptions of:
– the development of future cash flows, which may be affected by future events that may be attributed probabilities presumed from past experience or on the basis of the assumed behaviour;
– the level of specific input parameters not quoted on active markets, for which information acquired from prices and spreads observed on the market is in any case preferred. Where this is not available, past data on the specific risk of the underlying asset or specialised reports are used (e.g. reports prepared by Rating agencies or primary market players).

The following are measured using this method:
– some transactions in derivatives, bonds, or complex structured credit instruments measured using level 3 inputs;
– hedge funds in which the level 3 assets are above a set limit;
– private equity funds, private debt funds, real estate funds and closed-end funds resulting from sales of non-performing loans valued at NAV – Net Asset Value, with possible discounts;
– shareholdings and other equities measured using models based on discounted cash flows or using equity methods;
– loans whose fair value is determined through the use of a credit spread that does not meet the criteria to be considered level 2;
– loans with underlying equity risk, whose fair value is calculated based on the discounting of expected contractual flows.

The transfer of fair value levels of financial assets and financial liabilities measured at fair value on a recurring basis occurs, as established by IFRS 13, as follows: the transfer between levels 2 and 3 occurs upon a change in the observability or significance of an input to the measurements; and the transfer between levels 1 and 2 or 3 occurs upon a change in the availability of prices in an active market.
For OTC derivatives, the initial choice of the level of fair value hierarchy depends on the degree of observability and significance of the parameters used to determine the risk-free component. The calculation of the counterparty/issuer default risk component may result in a transfer to level 3 when the current exposure is positive for the Bank and the counterparty is in non-performing loan status, or when the determination of default risk requires unobservable inputs and the bilateral credit value adjustment (bCVA) component is significant when compared to the overall fair value of the netting set, or when the counterparty's sensitivity to downgrading is significant when compared to the overall fair value of the netting set.
For non-contributed equity instruments, the change of the level occurs:
– when inputs observable on the market (e.g., prices defined based on comparable transactions on the same instrument between independent and informed counterparties) have become available during the period. In this case, the Intesa Sanpaolo Group reclassifies from level 3 to level 2;
– when the directly or indirectly observable elements used as the basis for the valuation cease to exist, or when they are no longer up to date (e.g., comparable transactions that are no longer recent or multiples that are no longer applicable). In this case, the Intesa Sanpaolo Group uses valuation techniques that use unobservable inputs.

Valuation of financial instruments

The valuation of financial instruments entails the following phases:
– identification of the sources for valuation: for each asset class, the Guidelines and Rules for Valuation of Financial Instruments at Fair Value establish the processes that are necessary to identify market parameters and the manner according to which such data must be extracted and used;
– validation and processing of input data for periodic valuation: this stage consists of the accurate verification, at each accounting measurement date, of the market parameters used (verifying the integrity of data contained on the proprietary platform with respect to the source of contribution), reliability tests (consistency of each single figure with similar or comparable figures) and verification of concrete application means;
– certification of the measurement methods: this phase is aimed at verifying the consistency and the adherence of the various measurement techniques used with current market practice, at highlighting any critical aspects in the measurement models used and at determining any adjustments necessary for measurement;
– monitoring and revision of the measurement methods: the monitoring consists of the ongoing checking of the adherence to the market of the valuation model and enables the timely discovery of any gaps, in order to initiate the necessary checks and measures.

Identification of sources, certification and processing of the input data for the measurements

The fair value calculation process and the need to distinguish between products which may be measured on the basis of effective market quotes rather than through the application of measurement techniques, highlight the need to establish univocal principles in the determination of market parameters. To this end, the Guidelines and Rules for Valuation of Financial Instruments at Fair Value establish the processes needed to identify the market parameters, the contribution sources considered appropriate and how the data must be received (cut-offs) and used for the measurement of financial instruments held for any purpose in the proprietary portfolios of the Parent Company and its subsidiaries. The same sources are used in measurements carried out for third parties under Service Level Agreements, entered into in advance. The adequacy of the input data for the measurements is guaranteed by the respect of reference requirements, which are based on comparability, availability and transparency of the data, or the possibility of extracting the figure from one or more info providing systems, measuring the contribution bid-ask, and lastly, for OTC products, verifying the comparability of the contribution sources.
The use of all market parameters in Intesa Sanpaolo is subordinated to their certification by Market & Financial Risk Management, in terms of specific controls (verifying the integrity of data contained on the proprietary platform with respect to the source of contribution), reliability tests (consistency of each single figure with similar or comparable figures) and verification of concrete application means.

Certification of measurement methods

The measurement methods used by the Intesa Sanpaolo Group are certified by IMI CIB Risk Management, with the involvement of all relevant structures. The purpose of the certification is to verify the consistency of the methods with current market practice, to highlight any problems or limitations, and to determine any fair value adjustments, in accordance with the applicable regulations. The certification process considers all aspects of the measurement method (basic assumptions, mathematical derivation, any approximations, numerical algorithms used, inputs and outputs) but also all contextual elements that are relevant to the management, including the characteristics of the associated products (payoffs, early termination clauses, etc.), any ancillary agreements (e.g. netting or collateral agreements), the market where the products are traded, and how they are used by end users (e.g. precision vs. performance, calculation of risk measures, etc.). These aspects are subject to qualitative and quantitative analysis and are duly reported in the internal documentation.
The possibility of independent validation issued by high standing financial service companies is also envisaged in highly-complex cases and/or in presence of market turbulence (market dislocation).
At the end of the certification process, the measurement method is recorded in the Rules for Valuation of Financial Instruments at Fair Value.

Monitoring and review of measurement methods

As required by the applicable regulations, the measurement methods used are subject to ongoing monitoring of their performance with respect to the evolution of financial instruments, markets and methodological innovations developed by the scientific community, in order to ensure their continuous alignment to the market, promptly highlight any inadequacies and initiate the necessary checks and actions. The Rules for Valuation of Financial Instruments at Fair Value detail all elements considered for the periodic monitoring and revision of the measurement methods. The functions involved in the monitoring process are the same as those involved in the process of certification of the measurement methods mentioned above and in the IPV process governed by the Guidelines and Rules on Independent Price Verification.

Valuation risk: fair value adjustments

The Intesa Sanpaolo Group defines valuation risk as the risk of losses arising from the valuation uncertainty for the fair value exit price of financial instruments, due to any limitations of the measurement techniques used or particular market conditions.
The main measure of the valuation risk associated with a financial instrument are the fair value adjustments, which are designed to take into account the valuation uncertainty or the difficulty in the disposal of specific financial positions, and may relate to a single financial instrument or to the net position for a particular risk factor. The adjustments may be calculated as add-ons to the valuation or included directly in the valuation. They are regularly reviewed, also considering market trends, or the introduction of new liquid instruments, different calculation methodologies and, in general, methodological advances which may also lead to significant changes in measurement methods chosen and their implementation.
In particular, the Intesa Sanpaolo Group envisages fair value adjustments for the following categories of measurement uncertainty:

- uncertainty of input data: any valuation uncertainty related to the input data for the valuation (whether mid, bid or ask) is measured with respect to temporary or structural conditions on the markets or in relation to the size of the values held (in the case of concentration), and where necessary a fair value adjustment is made, quantifying the consequent impact on the valuations;
- illiquidity of the underlying positions or risk factors: similarly to the case above, the market bid-ask spread is measured and, where necessary, a fair value adjustment is made, quantifying the consequent impact on the valuations;
- model risk: this is based on the identification and use of variants of the same model or alternative models, with which to carry out comparison analyses aimed at quantifying the variability of the valuations (in particular any directionality of the price when the model changes) and the behaviour of the model in various market scenarios (stress tests). The quantification of the fair value adjustment is based, where possible, on easily comprehensible and measurable financial variables (e.g. vega, delta, correlation shift). This category includes transactions involving ESG contractual clauses that condition cash flows on the achievement of environmental, social or governance objectives by the counterparty. If these clauses are favourable to the counterparty, a prudential fair value adjustment is made by considering the most unfavourable scenario for the Bank;

– counterparty and funding risk: counterparty and funding risks, collectively referred to as XVA, include Bilateral Credit Value Adjustment (bCVA) and Funding Value Adjustment (FVA). The bCVA takes account of the counterparty risk premium associated with the possibility that the counterparties may not honour their mutual commitments (for example in the event of bankruptcy). This component derives, in turn, from two components: the Credit Value Adjustment (CVA, negative) and the Debt Value Adjustment (DVA, positive), which consider, respectively, the scenarios where the Counterparty goes bankrupt before the Bank (and the Bank has a positive exposure towards the Counterparty), and vice versa the scenarios where the Bank goes bankrupt before the Counterparty (and the Bank has a negative exposure towards the Counterparty). The Funding Value Adjustment (FVA, negative), on the other hand, takes into consideration the funding risk premium, connected to the costs of funding the cash flows (coupons, dividends, collateral, etc.) generated by the Bank's overall OTC derivatives portfolio. The calculation of the XVAs depends on the overall exposure between the two counterparties, calculated using techniques for simulating the underlying risk factors of the transactions considered, taking into account any counterparty risk mitigation arrangements (in particular netting and collateralisation agreements), as well as any contractual clauses. The calculation of the XVAs also depends on the Loss Given Defaults (LGDs) based on the estimated value of the expected recovery in the event of counterparty default, and the probability of default (PD) of counterparties. LGDs and PDs are obtained from credit default swap market quotes or are based on internal estimates by sector/rating used for credit risk. In addition, the FVA calculation is based on a funding curve representative of the best market counterparties that the Bank could renegotiate transactions with, in accordance with the most IFRS 13 advantageous market principle, as there is currently no real main market for these transactions.

The management process for fair value adjustments is formalised in the Guidelines and Rules for Valuation of Financial Instruments at Fair Value and the Rules for the Valuation of Unlisted Equity Investments with appropriate calculation methodologies on the basis of the different configurations of the points set out above, and is carried out in the most objective, consistent and systematic manner possible by IMI CIB Risk Management and Group Shareholdings. The introduction and release of the fair value adjustments depend on the factors described above. Such processes are a combination of quantitative elements that are rigidly specified and qualitative elements, valued based on the different configuration over time of the risk factors which generated the adjustments. Thus, the estimates subsequent to initial recognition are always guided by the mitigation or elimination of said risks.

For new products, the decision to apply the adjustments is taken during the new product approval process, upon proposal by IMI CIB Risk Management.

The application of the adjustments is subject to an authorisation procedure that, above a certain warning threshold defined for specific cases, involves both the area of the Chief Risk Officer and the Manager responsible for preparing the Company's financial reports.

A.4.1 Fair value levels 2 and 3: valuation techniques and inputs used

The sections below provide a summary of the information, by type of financial instrument (securities, derivatives, structured products, hedge funds, and loans), on the valuation models used.

I. Valuation of non-contributed debt securities

The fair value of non-contributed debt securities is measured using the income approach, i.e. by calculating the present value of expected future cash flows using an appropriate risk premium represented by the credit spread, identified on the basis of contributed and liquid financial instruments with similar characteristics. The sources used for this measurement are the following:

– contributed and liquid debt securities of the same issuer;
– credit default swaps on the same reference entity;
– contributed and liquid securities of an issuer with the same rating and belonging to the same sector.

In any case, the different seniority of the security to be priced is considered with regard to the issuer's debt structure.

In the case of Italian public issuers, a rating/maturity matrix is defined on the basis of the spread levels on government issues, to which the spreads among the various rating/maturity classes with respect to public issues (regions, provinces, municipalities, government entities) are applied.

When applying the spread for the pricing of the non-contributed instrument, if the estimated 'fair' credit curve does not respect the same characteristics of the instrument, correction factors are considered.

Also, for bonds that are not quoted on active markets, an extra spread, estimated based on the bid/ask spread recorded on the market, is added to the "fair" credit spread component, to take account of the higher premium demanded by the market compared to similar contributed securities.

Finally, if the instrument includes an optional component, a further adjustment is made to the spread by adding a component designed to capture the hedging costs of the structure and any illiquidity of the underlying assets. This component is calculated based on the type of option, using the corresponding valuation models for derivatives mentioned below.

Similarly, Intesa Sanpaolo's credit spread for the Banking Group's financial liabilities designated at fair value is determined and measured based on the bonds issued by the Parent Company, with regular, periodic coupons, maturity beyond one year and quoted on an active market in compliance with IAS/IFRS. The implicit credit rating is determined on the basis of market prices and subsequently adjusted through interpolation models which generate credit spread curves by type of coupon, maturity and subordination level. Similarly, the issued certificates are measured at fair value by breaking them down into the following two components: an issued bond, measured as described above, and an option component, measured using the corresponding derivative pricing models described below.

Finally, measurement of the financial liabilities designated at fair value of the insurance companies (mainly liabilities associated with unit-linked investment contracts that do not present significant insurance risk) reflects the market value of the underlying assets, which are determined in application of the various methods described herein.

II. Valuation of loans

Loans are measured at fair value through contributions from info providers when available or by calculating the present value of expected future cash flows using an appropriate credit spread, identified starting from the following sources:

– contributed loans on the market;
– sector/rating-specific loan market curves;
– contributed securities of the same issuer;
– credit default swaps on the same reference entity.

In any case, the different seniority of the instrument to be priced is considered with regard to the issuer's debt structure.
When applying the spread for the pricing of the loan, if the estimated 'fair' credit curve does not respect the same characteristics of the instrument, correction factors are considered.
Moreover, where, in determining the credit spread of the loans, reference is made to the curves created through bonds, a Bond – Loan basis must be applied, to capture the different structure of the market, if any, and the different type of loan.
In order to consider the premium required by the market for illiquid and/or structured instruments, several adjustments are applied to the credit spread.
Loans with an underlying unlisted equity risk (which include financial instruments that, pursuant to IAS 32, cannot be classed as equity, e.g. loans convertible into shares) are usually measured by discounting the cash flows provided for by the contract. Since these are debt securities, the cash flows are normally discounted using a rate consisting of the sum of: a risk free rate, a spread deriving from the CDS or measured on listed securities or similar disbursements, and any additional risk premium.
In the case of non-performing loans, the fair value is determined based on the recoverable amount of the position. This estimate is made taking into account the contractual elements that characterise the loan and may involve, for example, the valuation of the cash flows from the sale of the real estate pledged as collateral or the valuation of any capital instruments that may be acquired following the introduction of an equity conversion clause for the position.

III. Valuation of OTC derivatives

Derivatives, if not traded on regulated markets, are Over The Counter (OTC) instruments, which are bilaterally exchanged with market counterparties and are measured through specific measurement methods and input parameters (such as, for example, interest rate, foreign exchange and volatility curves) observed on the market and subject to the certification and monitoring illustrated above.
The fair value of an OTC derivative is calculated considering the risk premium related to the various underlying risk factors. Specifically, there are two relevant cases, according to whether or not the instrument is subject to collateralisation agreements (CSAs) aimed at mitigating the counterparty and funding risk:

– for CSA transactions with characteristics that reduce counterparty and funding risk to a negligible level, the fair value is calculated according to the non-arbitrage principle, by including the market risk premium related to the risk factors underlying the contract (e.g. interest rates, volatility, etc.), and, in the most significant cases, using the rate of remuneration for the collateral as the discount rate for the future cash flows;
– for transactions without CSAs, or with CSAs with characteristics that do not reduce the counterparty and funding risk to a negligible level (e.g., One Way CSAs, or with non-negligible limits or minimum transfer amounts), the fair value of the instrument may be stated, under appropriate circumstances, as the sum of the reference (or base) value, equal to the price of the corresponding collateralised instrument, and several additional valuation components related to the counterparty and funding risk premium, referred to jointly as XVA (see "Valuation risk: fair value adjustments").

In view of the number and complexity of the OTC derivatives, a systematic reference framework has been developed which represents the common elements (calculation algorithms, processing models, market data used, basic assumptions of the model) that are used for their measurement.

The table below illustrates the main methods used to measure OTC derivatives based on the category of underlying asset.

Underlying class	Valuation models	Market data and input parameters
Interest rate	Net Present Value, Shifted-Black, Shifted-SABR, Libor Market Model, Hull-White, Bivariate log-normal, Hagan exact formula for CMS	Interest rate curves (deposits, FRA, Futures, OIS, swap, basis swap, CMS), cap/floor/swaption option volatility, correlation between interest rates
Foreign exchange rate	Net present Value FX, Garman-Kohlhagen, Mixture, Stochastic Local Volatility, Local Volatility	Interest rate curves, spot and forward FX curves, FX volatility, "quanto" volatility and correlations
Equity	Accrual, Net present Value Equity, Generalised Black-Scholes, Heston, Local Volatility, Jump Diffusion	Interest rate curves, underlying asset spot rate, expected dividends, underlying asset volatility and correlation between underlying assets, "quanto" volatility and correlations
Inflation	Inflation NPV, Inflation SABR, Inflation Jarrow-Yildirim	Nominal and inflation interest rate curves, interest and inflation rate volatility, seasonality ratios of consumer price index, correlation between inflation rates
Commodity	Net present Value Commodity, Black-Scholes Commodity, Independent Forward, Local Volatility, 2-Factors Jump Diffusion	Interest rate curves, spot rate, forwards and futures of underlying assets, underlying asset volatility and correlation between underlying assets, "quanto" volatility and correlations
Loans	Net present Value, CDS Option (or log-normal model), Contingent CDS	Probability of default, Recovery rate, credit index volatility.

As envisaged by IFRS 13, in determining fair value the Intesa Sanpaolo Group also takes into account the effect of non-performance risk. This risk includes changes in the counterparty credit rating and changes in the issuer's own credit risk.

IV. Valuation model for structured credit products

With regard to asset-backed securities (ABSs), if significant prices are not available, valuation techniques are used that take into account parameters that can be gathered from an active market (level 2 inputs) or, where parameters cannot be observed, estimated parameters (level 2 or 3 inputs, where immaterial or material).

In this case, the cash flows are obtained from infoproviders or specialised platforms, where available, or are taken from the business plan of the transaction, supplemented with periodic reporting, such as the case of Non-Performing Loans (NPLs) and Unlikely to Pay (UTP); the spreads are gathered from prices available on the market/market info provider, further strengthened by a qualitative analysis relative to the performance of the underlying assets presumed from periodic investor reports and aimed at highlighting structural aspects that are not (or not fully) encompassed by the analyses described above, relating to the actual future ability to pay the expected cash flows and analyses of relative value with respect to other similar structures.

In the case of securitised high-yield loans to European corporate borrowers (HY CLO), valuation techniques call for calculation of the net present value of the expected cash flows, determined through specialised platforms, discounted using market spreads. When modelling expected future flows, account is taken of all contractual aspects of the HY CLOs that may influence the waterfall, i.e. the distribution of cash flows from the collateral on the notes.

After this valuation, credit analyses on underlying assets are fine-tuned to incorporate further valuation elements not included in the quantitative models. In particular, a Qualitative Credit Review is provided for and entails an accurate analysis of credit aspects referred to the specific structure of the HY CLO and to the collateral present. This is to identify any present or future weaknesses which emerge from the characteristics of the underlying assets, which could have been missed by rating agencies and as such not fully considered in the valuations described in the previous point.

V. Valuation of non-contributed equities

Level 2 equities include:

– equities measured based on direct transactions, that is significant transactions on the stock registered in a time frame considered to be sufficiently short with respect to measurement date and in constant market conditions;
– equities measured using relative methods, based on multipliers: implied multiples in transactions in comparable listed or unlisted companies, within a time frame deemed sufficiently short with respect to the time of measurement and under constant market conditions (M&A multiples) or implicit multiples in the stock market prices of a sample of comparable companies (stock market multiples).

Level 3 equities for which the "relative" models described above are not applicable in significant terms, and, therefore, "absolute" valuation models are used, include:

– equities for which analytical models based on flows are used, which determine the value through estimates of the cash or income flows that the company is expected to generate over time, discounted using an appropriate rate based on the level of risk of the instrument;
– equities measured based on net worth criteria such as NAV or Adjusted Net Asset Value (ANAV), which estimates the fair value of the various components of the assets of the investee.

Any values deemed representative of the fair value of the equity instrument deriving from contractual clauses (for example, options) are classified in level 2 or 3 of the fair value hierarchy, according to the observability of the inputs used in the valuation. Specifically, if the negotiation of the clause resulted in strike prices or pre-defined algorithms and multiples, the

instrument is classified in level 2.
The cost criterion as estimate of fair value is used to a lesser extent, where none of the previous methods are applicable due to lack of sufficient information, and in the cases where there is a wide range of possible fair value measurements and it is not possible to identify the most appropriate value among these.
This case also includes Equity Instruments which, in accordance with IAS 32, have the characteristics to be considered as equities.

VI. The valuation of hedge funds

The fair value of a hedge fund corresponds to the Net Asset Value (NAV) provided by the fund administrator, to which an adjustment can be applied, deriving from a measurement process aimed at capturing the main risk factors that the management of the funds is subject to, which consist of the following two types:
– counterparty (broker) risk, i.e. the risk that the assets of the fund are exposed to when a single service provider is entrusted with prime brokerage or custodian activities, subject to the risk of default;
– illiquidity risk, i.e. the risk that the assets of the fund are illiquid due to the limited prices available or due to a lack of information on the assessment policies used by the fund.

These risks are assessed on the basis of the information contained in the documentation received periodically from the fund managers or administrators.
The fair value hierarchy level is Level 2, provided the Level 3 instruments do not exceed a set threshold.

VII. The valuation of private debt funds

For Private Debt Funds, the investment authorisation process involves an initial due diligence to verify the consistency between each fund's asset valuation policy and the Guidelines and Rules for Valuation of Financial Instruments at Fair Value. The fund is subsequently valued at NAV. The fair value hierarchy level is Level 3.

VIII. Valuation of closed-end private equity funds, real estate funds and closed-end funds resulting from sales of non-performing loans

Closed-end private equity funds are usually valued using the latest Net Asset Value approved by the asset management company (published half yearly or quarterly), adjusted solely to take into account events that have not yet occurred at the reference date of the NAV, such as:
– a material transaction on a portfolio company;
– the bankruptcy or liquidation of a portfolio company;
– the alignment of any listed assets to current prices;
– draw downs and distributions by the fund.

Closed-end real estate funds are valued using the last available Net Asset Value, adjusted for any subsequent call ups or distributions and, where considered necessary, applying a discount calculated using an internal model. Specifically, this model enables the calculation of a discount on the Net Asset Value based on five different factors: (i) the size of the asset management company that manages the fund; (ii) the number of subscribers; (iii) the fund's historical return; (iv) the fund's return for the period; and (v) the level of debt. These factors are calibrated differently based on the business model and the fund's resulting risk profile, distinguishing between core, value added and opportunistic funds.

With regard to closed-end funds resulting from sales of non-performing loans, where an information set is available that makes it possible to conduct an analysis of the business plan of the underlying positions, individually or by uniform cluster, to determine the fair value of the units of the fund, the Bank uses the support of an independent expert, who states in his/her report, that the fair value determined by the expert complies with the indications from the main regulators[358], discounts the cash flows taken from the business plan provided by the asset management company, possibly prudently adjusted also based on the results of second level controls, at a discount rate that considers the current market conditions for this specific asset class or for similar financial instruments.
Where it is not possible to apply the approach mentioned above, for each fund a comparison is made between the expected return of the fund and a benchmark rate, defined using a model that factors in various elements, such as: i) the fund's valuation policies, verifying whether they are compliant with criteria consistent with the definition of fair value pursuant to IFRS 13, ii) verification that there is an updated business plan and of the performance of the fund compared to the available business plan, iii) the characteristics of the fund's assets, iv) the level of the cost of funding on the market for issuing liquid instruments, v) the completeness and extensiveness of the information provided by the fund, and vi) the fund management methods. Where the expected return of the fund is higher than the defined benchmark rate, the NAV communicated by the asset management company is used as the fair value measure. Where, instead, the benchmark rate is higher than the expected return of the fund, the fair value is determined based on the NAV minus a discount, which takes account of the spread between the benchmark rate and the expected return of the fund and the average residual life of the fund (Weighted Average Life or WAL).

For the funds of this type classified under Investments in associates and companies subject to joint control, the impairment test in accordance with IAS 28 is conducted using the measurement criteria described above for the determination of the fair value of the funds classified under the financial assets measured at fair value through profit or loss (FVTPL).

[358] See Bank of Italy/Consob/IVASS Document no. 8 "Treatment in the financial statements of sales without recourse of unlikely-to-pay loans in exchange for units of investment funds", published in April 2020.

Valuation of financial assets and liabilities not measured at fair value on a recurring basis

Finally, for asset and liability financial instruments measured at amortised cost, whose fair value is determined solely for the purposes of disclosure in the Notes to the financial statements, the following is noted:

– the fair value of the bonds is calculated using the methods described above;
– the fair value measurement of the other medium- and long-term asset and liability financial instruments is performed by discounting future cash flows using the discount rate adjustment approach, which requires credit risk factors to be taken into account in the discount rate for future cash flows;
– for short-term assets and liabilities, the book value is assumed to be a reasonable approximation of fair value.

For more information see paragraph A.4.5.4.

As required by IFRS 13, the table below highlights, for financial assets and liabilities measured at level 3 fair value, quantitative information on the significant, unobservable inputs used in the fair value measurement.

(thousands of euro)

Financial assets/ liabilities	Valuation technique	Main non-observable input	Minimum value of range of changes	Maximum value of range of changes	Unit	Favourable changes in FV	Unfavourable changes in FV
Securities and loans	Discounting Cash Flows	Credit Spread	-4	4	%	1,378	-1,843
Structured securities and loans	JD model	JD parameters	-26	10	%	12	-39
Structured securities and loans	Two-factor model	Correlation	-32	32	%	11,366	-2,892
ABSs	Discounting Cash Flows	Credit Spread	-2	3	%	372	-414
CLOs Cash	Discounting Cash Flows	Credit Spread	-6	8	%	191	-259
OTC derivatives subject to FV adjustment for CVA/DVA	CVA	Loss Given Default Rate (LGD)	-	100	%	-2,157	1,084
OTC derivatives subject to FV adjustment for CVA/DVA	CVA	Probability of default (PD) based on counterparty's internal rating	CCC	A	Internal rating	-76	32
OTC Derivatives - Equity Option	Black - Scholes model	Historical volatility	8	40	%	801	-496
OTC Derivatives - Equity Option	Marshall Olkin Model	Historical correlation	5	68	%	21	-18
Uncontributed Equity Securities	Net present value	Cost of Equity	-100	100	bp	216	-209
Uncontributed Equity Securities	Stock market multiples	Multiples	10	-10	%	55,952	-52,415
Uncontributed Equity Securities	Various	Carrying Amount/Net Asset Value	3	-3	%	11,372	-11,372
UCI units deriving from sales of non-performing loans and similar assets	Adjusted NAV on IRR Basis/Net Present Value	IRR benchmark / Cost of Equity	-100	100	bp	17,963	-22,397
UCI units deriving from sales of non-performing loans and similar assets	Net Asset Value	Net Asset Value	3	-3	%	19,258	-19,258
UCI units not deriving from sales of non-performing loans and similar assets	Net Asset Value	Multiples	10	-10	%	16,516	-16,447
UCI units not deriving from sales of non-performing loans and similar assets	Net Asset Value	Net Asset Value	1	-1	%	18,073	-18,073

A.4.2 Valuation processes and sensitivity

For a description of the valuation processes used by the Group for instruments measured at level 3 in a recurring and non-recurring manner, see paragraphs A.4.1 and A.4.5 respectively.

As required by IFRS 13, for the financial assets and liabilities measured at level 3 fair value, the following table lists the effects of a change in one or more significant non-observable parameters used in the valuation techniques adopted to determine the fair value. Note that only the total material effects at the end of the year are shown in the table.

Financial assets/liabilities	Non-observable parameters	Sensitivity (thousands of euro)	Change in non-observable parameter
FVTPL and FVTOCI securities and loans	Credit spread	-193	1 bp
FVTPL and FVTOCI securities and loans	JD parameters	-3	1%
FVTPL and FVTOCI securities and loans	Correlation	-165	1%
OTC Derivatives - Equity	Correlation between underlying equity baskets	-	10%
OTC Derivatives - Equity	Historical volatility	-233	10%
OTC Derivatives - Equity CPPI	Historical correlation	-6	10%

For tax credits held under the Hold to Collect and Sell and Other/Trading business models, which are initially recognised and subsequently measured at fair value, note that the fluctuations in fair value are mainly due to the trends in risk-free rates. Specifically, an increase (decrease) in interest rates of 1 basis point is estimated to correspond to a negative (positive) fluctuation of:

– 670 thousand euro for tax credits classified under the Other/Trading business model;
– 298 thousand euro for tax credits classified under the Hold to Collect and Sell business model;

A.4.3. Fair value hierarchy (transfers between the different levels)

A description of the policy for determining when transfers occur between the different levels of fair value hierarchy (see IFRS 13, par. 95) is provided above (see “Fair value hierarchy").

A.4.4. Other information

In calculating the bCVA, the Intesa Sanpaolo Group considers the net positions in derivatives of each counterparty (see paragraph A.4.1 above for further details on the measurement of derivatives). For other cases, the Group does not make use of the option provided in paragraph 48 of IFRS 13, which permits an entity “to measure the fair value of a group of financial assets and financial liabilities on the basis of the price that would be received to sell a net long position (i.e. an asset) for a particular risk exposure or paid to transfer a net short position (i.e. a liability) for a particular risk exposure in an orderly transaction between market participants at the measurement date under current market conditions”.

General Independent Price Verification principles

The Intesa Sanpaolo Group governs and defines the independent price verification process through the Group Guidelines and Rules on Independent Price Verification, documents that are coordinated by Market & Financial Risk Management and applied by the Parent Company and all consolidated subsidiaries of the Banking Group.

The “Guidelines on Independent Price Verification”, once a favourable opinion has been given by the Group Financial Risk Committee, are revised and approved at least on an annual basis by the Board of Directors, with the support of the Risks and Sustainability Committee. The level I and II “Rules on Independent Price Verification” are revised and approved at least on an annual basis by the Group Financial Risks Committee, which is specifically delegated to do so by the Management Bodies, and which also reviews material changes and updates proposed by Market & Financial Risk Management.

According to the provisions of Regulation (EU) 575/2013 (Capital Requirement Regulation – CRR), Article 4, par. 1.70 and Article 105, par. 8, the Intesa Sanpaolo Group governs the Independent Price Verification (IPV) process, which consists of the regular verification of the accuracy and independence of market prices or the data input in pricing models, carried out by an organisational unit independent from the business functions, at a frequency commensurate with the trading carried out and the nature of the market.

The Intesa Sanpaolo Group has set up an IPV process with 3 levels of control in line with the provisions of Bank of Italy Circular 285/2013 (Supervisory regulations for banks), incorporated into the Integrated Internal Control System, which requires the risk management processes to be incorporated in the processes and methods for valuing the company activities, also for accounting purposes.

Within the IPV, the level I, II and III control functions have the following main responsibilities:

– the level I control function participates in the definition of the related methodological framework and carries out the level I implementations and controls, reporting the results to the business function and the level II control functions;
– the level II control function defines the methodological and control framework, ensures alignment with current regulations and consistency between the IPV controls, accounting valuations and additional valuation adjustments (AVA) (carried out, respectively, on the basis of the Guidelines and Rules for Valuation of Financial Instruments at Fair Value and the Guidelines and Rules for Prudent Valuation of Financial Instruments at Fair Value) and supervises the level I controls and performs the level II controls;
– the level III control function carries out internal audit controls to identify breaches of procedures and regulations, as well as to periodically assess the completeness, adequacy, functionality (in terms of efficiency and effectiveness) and reliability of the organisational structure of the other components of the internal control system and the IT system at Group level, at scheduled deadlines in relation to the nature and intensity of the risks.

The level I and II IPV controls are qualitative and quantitative controls and are distinguished according to the type of instruments subject to control. They are applied consistently to both the input data underlying the valuations and the valuations themselves, and ensure consistency between the management valuations and the accounting valuations carried out in the various systems. They are characterised by completeness and suitability of application, absence of overlaps, sequentiality and complementarity in execution. The IPV control instruments use, as far as possible, specific applications or IT procedures, which enable extensive data analysis on a daily basis. In particular:

– the level I controls are aimed at ensuring the validation of the market data entered into the systems and are based on an in-depth analysis of the data obtained from external providers. If the level I controls detect that certain thresholds have been exceeded for the data contained in the systems, or the data is not considered correct by the level I control functions, a comparison process (challenge) is activated with the involvement of the business function and the level II control functions, in line with the degree of complexity of the report;
– the level II controls are characterized by sequentiality and complementarity in execution with the level I controls and are designed to ensure alignment between management and accounting valuations, based on an in-depth analysis of consensus or counterparty data and, where these are not available, through the application of pricing models associated with the respective instruments.

The results of the IPV process are analysed, assessed and coordinated by the Financial Measurements Working Group, a technical body set up specifically for this purpose, with the aim of facilitating integration and comparison between the business functions and the control functions.

General prudent value principles

The framework of financial measurements is completed with the prudent valuation of financial instruments measured at fair value, which involves the calculation of additional valuation adjustments for prudential purposes, without impacts on the fair value calculated for accounting purposes in accordance with the IAS/IFRS.

The Intesa Sanpaolo Group governs and defines the prudent value measurement of financial instruments through the Group Guidelines and Rules for Prudent Valuation of Financial Instruments at Fair Value, prepared by Market & Financial Risk Management and applied by the Parent Company and all the consolidated subsidiaries of the Banking Group.

The "Guidelines on Prudent Valuation of Financial Instruments", once a favourable opinion has been given by the Group Financial Risks Committee, are revised and approved at least on an annual basis by the Board of Directors, with the support of the Risks and Sustainability Committee. The "Rules for Prudent Valuation of Financial Instruments" are revised and approved at least on an annual basis by the Group Financial Risks Committee, which is specifically delegated to do so by the Management Bodies, and which also reviews material changes and updates proposed by Market & Financial Risk Management.

In accordance with the provisions of Regulation (EU) 575/2013 (Capital Requirements Regulation – CRR), prudent valuation entails the calculation of specific additional valuation adjustments (AVAs) for the financial instruments measured at fair value, aimed at capturing different sources of valuation uncertainty and ensuring the achievement of a suitable level of certainty in the measurement of the positions. The total value of the AVAs is deducted from the Common Equity Tier 1 capital, without impacts on accounting fair values.

The Intesa Sanpaolo Group, in line with the criteria indicated in Delegated Regulation (EU) 101/2016, is subject to the application of the core approach for the determination of AVAs both at individual and at consolidated level for all the positions measured at fair value. In particular the following AVAs are considered:

– market price uncertainty: this reflects the uncertainty of the market prices, calculated at valuation exposure level;
– close-out costs: it reflects the uncertainty of the exit price calculated at valuation exposure level;
– model risks: it considers the valuation model risk which arises due to the potential existence of a range of different models or model calibrations, which are used by market participants, and the lack of a firm exit price for the specific product being valued;
– unearned credit spreads: it reflects the valuation uncertainty in the adjustment necessary according to the applicable accounting framework to include the current value of expected losses due to counterparty default on derivative positions;
– investment and funding costs: it represents the valuation uncertainty in the funding costs used when assessing the exit price according to the applicable accounting framework;
– concentrated positions: it reflects the uncertainty relating to the exit price of the positions defined as concentrated;
– future administrative costs: it considers administrative costs and future hedging costs over the expected life of the valuation exposures for which a direct exit price is not applied for the close-out costs AVAs for concentrated positions;
– early termination: it considers the potential losses arising from non-contractual early terminations of customer trades;
– operational risks: it considers the potential losses which may be incurred consequently to the operational risks connected to the valuation processes.

The prudent value corresponds to the exit price from the position with a level of certainty equal to 90%. Where possible, this value is determined on the basis of a distribution of exit prices observed on the market. In all the other cases, an expert-based approach is used, referring to the qualitative and quantitative information available.

The AVA value associated to the single position and to the single source of uncertainty in valuation thus corresponds to the difference between the prudent value and the fair value. The total AVA is obtained by aggregating the single AVAs, taking into account the corresponding weighting ratios.

The "Rules for Prudent Valuation of Financial Instruments" outline, for each AVA, the definition and interpretation, the scope of application, the input data and the detailed calculation method for each class of financial instrument.

FAIR VALUE OF REAL ESTATE AND VALUABLE ART ASSETS

Fair value of real estate assets

As extensively illustrated in the first part regarding the accounting policies, the Group has adopted the revaluation model as the basis of measurement for the owner-occupied properties accounted for according to IAS 16 and fair value for the investment properties accounted for according to IAS 40.

Measurement of real estate assets

The revaluation model applied to owner-occupied properties envisages that property and equipment, whose fair value can be reliably determined, is recorded at a revalued amount, equal to its fair value at the date of the revaluation, net of depreciation and any accumulated impairment losses.
For the properties held for investment, the Intesa Sanpaolo Group has chosen the fair value method, according to which, after initial recognition, all investment properties are measured at fair value.

Valuation approach

IFRS 13 defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".
The valuation approach has been defined on the basis of the business relevance and plan for the use of the properties, which consists of three main groups:

– "trophy assets", i.e. particularly prestigious properties used by management functions located in the main cities where the Bank is based or properties of particular historical and artistic interest because they are listed by the Ministry for Culture;
– "owner-occupied properties";
– "investment properties".

The properties are valued individually asset-by-asset without considering any discount, or premium, that may be agreed during commercial negotiations if all or part of the portfolio is sold in bulk or in lots.
The Intesa Sanpaolo Group has chosen to assign the valuation activity to professionally qualified external companies with an international structure, able to provide property valuations based on the RICS Valuation standards[359] which guarantee:

– determination of the value consistent with the fair value configuration indicated in the IAS/IFRS;
– compliance with the professional, ethical and independence requirements for experts, in line with the provisions of international and European standards.

To determine the value of the assets, the following valuation methods are used based on the characteristics of the asset and the conditions of the market of reference; the valuer determines the most suitable method for each individual property:

– The Discounted Cash Flow Method: the discounted cash flow method is based on the discounting (for a variable period based on the rental/occupational situation of the property and its subsequent optimisation) of the future net proceeds from the rental or sale of the property. At the end of this period, the value of the property is assumed to be the sale price obtained by capitalising the income of the last year at a market rate for investments similar to the object of the estimate or through a split sale. This method is used for the valuation of all the owner-occupied properties or real estate leased to third parties, located in Italy.
– Comparative or Market Method: the comparative or market method is based on the comparison between the assets examined and similar assets recently sold/purchased or offered on the same market or in competitive environments. This criterion is based on a comparison with properties that have recently been sold or offered on the open market and, if possible, have the same characteristics. In the absence of observations directly related to the property examined, cases are used that are as similar as possible to the property examined, making the necessary adjustments. This method, which also represents the basis for other valuation methods, can be adopted in particular for non-owner-occupied assets and/or, in any case, for unrestricted and available assets in Italy and abroad.
– Direct capitalisation income approach: the income approach is based on the current value of the potential market income of a property, obtained by capitalising the income at a market rate. This approach is applied mainly to owner-occupied properties abroad, where a prolonged stay within the building is envisaged.
– Investment Value (Worth): the Investment Value (Worth) is defined by the International Valuation Standard as: "the value of an asset to a particular owner or prospective owner for individual investment or operational objectives". This definition is consistent with the provisions of the latest edition of the "RICS Valuation - Global Standards" of the Royal Institution of Chartered Surveyors of the United Kingdom, where the Investment Value is defined as "the value of an asset to the owner or a prospective owner for individual investment or operational objectives".

The Investment Value is applicable to properties built by the entity or properties with a strong business relevance subject to significant investments for technological, construction and functional adaptation.
The Investment Value of these properties is determined on the basis of a 12+6 year plan for business use without break options, whose annual rent is determined by applying an appropriate gross rate of return to the amount of direct and indirect costs capitalised by the owner, including the costs of purchasing the land.
For the purposes of the valuation, where applicable and relevant, the assumptions include considerations relating to specific legislation (for example on safety, accessibility, and the removal of architectural barriers) as well as sustainability considerations connected to climate change factors and energy efficiency. In conclusion, based on the assessments conducted by the independent expert, it can be confirmed that at present the climate variables have not led to any significant impacts on the 2025 Financial Statements.

[359] Standards set out in the Royal Institution of Chartered Surveyors of the United Kingdom document "RICS Valuation – Global Standard" (also known as the "Red Book"): the updated version was issued in November 2024 and took effect on 31 January 2025.

Frequency of valuation

Revaluations must be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.
The frequency of revaluations depends upon the changes in fair values of the property and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required.
Specifically, based on the market trends, different valuation frequencies have been identified that, according to the characteristics of the assets and their location, are considered capable of capturing the significant changes in the value of the assets.
The following distinction is made for owner-occupied properties:

– for trophy assets, the revaluation is carried out by verifying the value through a scenario analysis (market trend analysis) every year and with a new appraisal every two years;
– for the other owner-occupied properties, the revaluation is carried out through scenario analysis (market trend analysis) every year and through a new appraisal every three years.

If the scenario analysis identifies significant changes (+/- 10%), specific and updated appraisals must be carried out to adjust the fair value of the asset to the valuations of the real estate market.
For investment properties, the value is determined on the basis of new appraisals each year.
Based on the rules mentioned above, in 2025, the investment properties, the owner-occupied properties classified as trophy assets, along with owner-occupied properties, for which the scenario analysis identified changes with respect to the threshold set, were subject to periodic valuation.

Scenario analysis

As part of the annual update of the fair value of the owner-occupied properties, in the years when a revaluation of the property is not envisaged, a scenario analysis (market trend analysis) is carried out using the best information sources available for the various countries in which the properties are located, in order to identify deviations, using databases, in the market values between the analysis period and the previous period.
In particular, for real estate located in Italy, the changes are defined using at least 3 different sources. The main source is that provided by the Italian Revenue Agency, based on the specific OMI (Real Estate Market Monitor) zones. The second publication source is Nomisma for which, for the related zoning, the same queries are conducted as those for the OMI (main database). Lastly, the third source is based on the analyses of the changes during the year surveyed in terms of the offers present on the real estate market.
Accordingly, the experts identify the annual deviations in rents and/or prices by related asset class for each property.
Real estate located abroad is grouped, for each country, into different clusters based on location and asset class. Specific market analyses are conducted based on local and national knowledge of the particular target real estate market.
The market study also takes account of the following macroeconomic drivers:

– analysis of economic data (unemployment rate, GDP per capita, inflation and consumer price index); these macroeconomic factors constitute the first economic analysis, supporting the real estate market forecasts;
– movement in average yield;
– movement in market rents;
– range of movement in unit values.

The above-mentioned market survey, together with a qualitative weighting of the macroeconomic key drivers is used to determine a range of percentage deviation from the last assessment carried out, which is compared with the target threshold set, identifying a synthetic percentage factor for each individual property, included in a single worksheet.
This activity is carried out close to the end of the year in order to produce a range of deviations within a reference threshold and to enable the timely planning of the updating of the specific appraisals for the properties whose deviation exceeds the threshold. The permitted variation threshold is +/-10%.
If the deviations identified exceed this threshold, a new valuation will be carried out before the end of the year.

Sensitivity of valuations

Just as for financial instruments, level 3 non-financial assets and liabilities measured at fair value for which, due to the valuation model used to determine the fair value, execution is possible, and whose results are significant, are subject to sensitivity analysis. The analysis essentially concerned the properties of the Parent Company Intesa Sanpaolo, which represent the Core perimeter of the Group's real estate assets.
It is noted that the sensitivity analysis was conducted by identifying the most important variables in the valuation model used to value the various classes of real estate, represented by the discounted cash flow method. Specifically, taking account of the trend recorded in the various asset classes of the real estate market and the parameters featuring greater volatility/variability, for owner-occupied properties, reference was made to the net capitalisation rate (yield) and the average medium/long-term inflation rate, while for investment properties, to the exit value. In compliance with the estimate assumptions applied to real estate assets, for the purpose of the analysis, variation ranges were used that were consistent with the potential trends in the market at the reporting date. For owner-occupied properties, a change of +/- 25 bps for the net capitalisation rate and a concurrent change of -/+20 bps for the inflation rate were assumed, in relation to which average deviations of fair value of +4.5% and -3.8% were recorded. For investment properties measured using the discounted cash flow method, a change of +/- 25 bps for the net capitalisation rate and a concurrent change of -/+ 20 bps for the inflation rate were assumed, for properties measured using the synthetic control method, a change of -/+ 5% of the exit value was assumed, in relation to which average deviations of fair value of +5.5% and -5.3% were recorded.

Fair value of valuable art assets

The Bank's valuable art assets are also valued using the revaluation model, which envisages that property and equipment, whose fair value can be reliably determined, is recorded at a revalued amount, equal to its fair value at the date of the revaluation.
Works of art included in the asset class "valuable art assets" are works of particular importance, recognised for their historic and artistic value by experts, due to their state of preservation, the historical importance of the artist, the importance of the work in terms of art criticism/history, illustrious origin, certain quality and attribution and the declaration of interest by the Italian government.

Valuation approach

The valuation is carried out by determining the value through external appraisals, entrusted to qualified independent experts.
These values are obtained from online databases such as Artnet and Artprice, which list over 100 million works of art and monitor the results of leading Italian and international auction houses. These are objective parameters that are compared with the market as a whole, in an analysis that also involves monitoring galleries and art fairs.
In particular, the factors considered for the fair value measurement include objective factors relating to the historical-critical-artistic value of the author, state of preservation, execution technique, size and quality of the artwork, importance of the artwork in the production by the artist, publication of the artwork in specialist catalogues, period of execution of the artwork, international exposure of the artworks by the artist, provenance, as well as factors which may change over time, depending on the evolution and tastes of the market.
Once these factors have been identified, the fair value is determined comparing them firstly with artworks similar to those examined (in terms of period of production/year, technique, size, type of subject and state of preservation), by the same artist and from the same period, if available (this is more feasible for modern and contemporary works) and, secondly, with works by artists or schools and areas that are close in style, philosophy and importance in the same historical period.
In addition to considering the trends in auction trading, starting from the most recent trading and also including unsold items in the analysis, which are a possible indicator of the loss of market value for the artwork/artist, the valuation also considers the current market interest in an artwork or an artist, measured by the number and quality of temporary exhibitions held in internationally important museum spaces and accompanied by specific publications.
The valuations also take into account any declarations of historical-artistic interest formally expressed by the Italian Ministry for Culture (commonly referred to as "notifications"), which tie part of the artworks in the collection to Italy's heritage and restrict their circulation to the country's territory, reducing the price obtainable on the international market.
The pricing is also influenced by the importance of the buyers/sellers.
The valuation approach is based on the monitoring of the objective market values of the artworks included in the category examined, which follows three methodological approaches:

– prudent basis, analysing the average values of a variety of different information sources, based on robust, updated and statistically representative databases: in a market of "unique" artworks, often without transactions for decades, this approach ensures the periodic identification of any outlier values and avoids following speculative trends;
– comparison, monitoring the transactions that have taken place at a global level in a variety of distribution channels, in order to avoid considering only certain forms of transaction and the related financial values: in a global market with global demand, this approach enables verification of the presence of any geographical arbitrage or specific appreciation/depreciation phenomena with potential impacts;
– recurrence, since it updates and monitors price trends over the shortest period of time that the specific features of the market allow, i.e. the half year: in a market in which there are no public trades monitored daily, the shortness of the measurement period ensures maximum attention and timeliness of any changes.

This approach is applied to all the "valuable art assets".

Frequency of valuation

For valuable art assets, the revaluation is carried out by means of an expert appraisal every three years. However, a scenario analysis is carried out annually to identify any appreciable changes in value in order to bring forward the valuation.
Based on the rules mentioned above, in 2025, the artworks, for which the scenario analysis identified changes with respect to the threshold set, were subject to valuation.

Scenario analysis

In order to identify and determine the changes in the market of the artworks being valued, market trends are monitored to detect signs of significant change that require appraisals to be made in advance with respect to the frequency established.
This monitoring is carried out on a two-fold basis:

– Monitoring of the market prices of the top artworks in terms of value held in Intesa Sanpaolo's collections, which represent 75% of the total value of the artworks included in the "valuable art assets" class, by verifying both the results of the main international auctions (which are based on a calendar of precise seasonal deadlines) and the reports of the two main world databases (Artprice and Artnet), whose analytics provide useful tools for monitoring prices;
– Monitoring the performance of the art market in general, to identify trends and changes with respect to Intesa Sanpaolo's "valuable art assets", verifying both the results of the main international auctions (which are based on a calendar of precise seasonal deadlines), and the reports of the two main world databases (Artprice and Artnet); since the works of many artists in the Intesa Sanpaolo's collection very rarely go up for auction due to the limited number of items left in the market, it is important to monitor the trend of similar artists or works; accordingly, the monitoring is not just limited to the works held and their artists, but also extends to the authors and artworks related to the same area, to take into account trend data.

If the annual monitoring identifies a potential, positive or negative, value deviation of more than 15% for individual artworks/collections of artists in Intesa Sanpaolo's collections and comparable on the basis of objective criteria (such as period of production/year, size, technique, period of production, etc.), the appraisals are commissioned according to the usual internal procedures in order to align the carrying amount.

Quantitative information

A.4.5. Fair value hierarchy

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

(millions of euro)

Assets / liabilities at fair value	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets measured at fair value through profit or loss	121,864	30,600	10,008	112,812	28,322	9,809
a) Financial assets held for trading	18,087	28,014	140	14,948	26,337	154
of which: equities	*5,446*	-	*1*	*7,588*	-	*1*
of which: quotas of UCI	*438*	-	*34*	*440*	-	*37*
b) Financial assets designated at fair value	-	-	4	-	2	4
c) Other financial assets mandatorily measured at fair value	103,777	2,586	9,864	97,864	1,983	9,651
of which: equities	*7,859*	*530*	*107*	*6,090*	*296*	*104*
of which: quotas of UCI	*85,683*	*194*	*8,208*	*83,884*	*201*	*8,236*
2. Financial assets measured at fair value through other comprehensive income	151,096	11,650	695	139,665	9,792	812
of which: equities	*638*	*141*	*572*	*542*	*122*	*648*
3. Hedging derivatives	-	7,372	-	-	6,505	-
4. Property and equipment	-	-	6,569	-	-	6,607
5. Intangible assets	-	-	-	-	-	-
Total	**272,960**	**49,622**	**17,272**	**252,477**	**44,619**	**17,228**
1. Financial liabilities held for trading	6,334	33,319	3	6,890	35,982	10
2. Financial liabilities designated at fair value	3,539	72,806	35	1,488	72,519	76
3. Hedging derivatives	-	2,695	-	-	4,410	-
Total	**9,873**	**108,820**	**38**	**8,378**	**112,911**	**86**

The above table shows the figures for the entire Group, including the insurance companies.
With regard to assets, level 3 instruments, which allow for more discretion in fair value measurement, account for a limited portion of the portfolio, with an impact of 5.1% on total assets (5.5% as at 31 December 2024).
Level 3 financial assets refer mainly to UCI units under Financial assets mandatorily measured at fair value, and are attributable to equity and bond funds of insurance companies for 4,732 million euro and UCI units of the Banking Group for 3,476 million euro.
With regard to the banking segment, the UCI units under Financial assets mandatorily measured at fair value are mainly attributable to the Parent Company and in terms of composition they relate, in order of significance, to real estate funds, private equity funds, private debt funds, hedge funds, infrastructure funds, and venture capital funds.
The caption also includes 163 million euro relating to interests held by the bank in the Atlante Fund and in the Italian Recovery Fund (formerly Atlante Fund II), alternative investment funds to support Italian banks in their recapitalisation transactions and in the management of the bad loans in the sector.
Property and equipment measured at level 3 fair value includes real estate assets and valuable art assets, which represent 38% of the balance sheet assets at level 3 fair value.
A total of 80.3% of assets measured at fair value are determined based on market prices (level 1), and therefore without any discretion by the valuator.
A total of 91.7% of the liabilities at fair value are attributable to Level 2, primarily to unit-linked investment contracts included among Financial liabilities designated at fair value attributable to the insurance companies for 49,184 million euro.

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

(millions of euro)

Assets / liabilities at fair value	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets measured at fair value through profit or loss	18,324	29,227	4,264	15,136	27,244	4,255
a) Financial assets held for trading	18,055	28,014	140	14,910	26,337	154
of which: equities	*5,446*	-	*1*	*7,588*	-	*1*
of which: quotas of UCI	*438*	-	*34*	*440*	-	*37*
b) Financial assets designated at fair value	-	-	4	-	2	4
c) Other financial assets mandatorily measured at fair value	269	1,213	4,120	226	905	4,097
of which: equities	*205*	*530*	*14*	*172*	*296*	*13*
of which: quotas of UCI	*64*	*194*	*3,476*	*54*	*201*	*3,540*
2. Financial assets measured at fair value through other comprehensive income	81,072	8,257	621	69,754	6,810	732
of which: equities	*638*	*141*	*565*	*542*	*122*	*641*
3. Hedging derivatives	-	7,342	-	-	6,469	-
4. Property and equipment	-	-	6,562	-	-	6,600
5. Intangible assets	-	-	-	-	-	-
Total	**99,396**	**44,826**	**11,447**	**84,890**	**40,523**	**11,587**
1. Financial liabilities held for trading	6,329	33,316	3	6,882	35,974	10
2. Financial liabilities designated at fair value	3,539	23,622	35	1,488	21,873	76
3. Hedging derivatives	-	2,641	-	-	4,363	-
Total	**9,868**	**59,579**	**38**	**8,370**	**62,210**	**86**

Exclusively with regard to the assets of the Banking Group and Other Companies, level 3 instruments, which allow for more discretion in fair value measurement, account for a limited portion of the portfolio, with an impact of 7.4% on total assets (8.5% as at 31 December 2024).
A total of 63.9% of assets measured at fair value are determined based on market prices (level 1), and therefore without any discretion by the valuator.
Property and equipment measured at level 3 fair value includes real estate assets and valuable art assets, which represent 57.3% of the balance sheet assets at level 3 fair value.
A total of 85.7% of these liabilities are classified in level 2, and the share of level 3 instruments is less than 1% of total liabilities.
As at 31 December 2025, the impact of non-performance risk (Credit Value Adjustment and Debt Value Adjustment) in the determination of the fair value of derivative contracts amounted to a reduction of 77 million euro in positive fair value and an increase of 37 million euro in negative fair value.
The impact of the Funding Value Adjustment in reducing the fair value amounted to 20 million euro, equal to the cost of funding the cash flows generated by the Parent Company's overall portfolio of OTC derivatives.
Determining the quantity of those adjustments is irrespective of the effects of the correlated operational hedging strategies, where present.

Lastly, the caption "Other assets", not directly included in the table above, comprised tax credits recognised and measured at fair value for 7.6 billion euro as at 31 December 2025, of which around 2 billion euro held under the Hold to Collect and Sell business model and 5.6 billion euro held under the Other/Trading business model. The fair value of those credits was determined with reference to the changes in interest rates. Given the specific characteristics of the credits in question, they have been assigned to level 3, also in line with the considerations set out in the clarification note issued by the Bank of Italy on 24 July 2023 ("Clarification Note on credit risk").

In addition to the transfers relating to financial assets and liabilities measured at level 3 as detailed below, please note that the following transfers were made during 2025:
– from level 1 to level 2:
  - financial assets held for trading for 14 million euro (book value as at 31 December 2025);
  - financial assets measured at fair value through other comprehensive income for 164 million euro (book value as at 31 December 2025);
  - financial assets held for trading for 37 million euro (book value as at 31 December 2025);
  - financial liabilities designated at fair value for 7 million euro (book value as at 31 December 2025);
– from level 2 to level 1:
  - financial assets held for trading for 13 million euro (book value as at 31 December 2025);
  - financial assets measured at fair value through other comprehensive income for 133 million euro (book value as at 31 December 2025);
  - financial liabilities held for trading for 207 million euro (book value as at 31 December 2025);
  - financial liabilities designated at fair value for 2,725 million euro (book value as at 31 December 2025).

The transfers between fair value levels are determined by the trends in the observability of prices or market data used to measure the instruments and by the materiality of the unobservable inputs.
The transition from level 1 to level 2 is a consequence of the disappearance of an active market for that instrument assessed by analysing the reliability and the reciprocal consistency of the available prices according to the provisions of the Group's Fair Value Policy. Conversely, securities for which a mark-to-model measurement is performed using inputs that can be observed on the market – classified, therefore, as level 2 – are transferred to level 1 when the existence of an active market is identified.

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

(millions of euro)

Assets / liabilities at fair value	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets measured at fair value through profit or loss	103,540	1,373	5,744	97,676	1,078	5,554
a) Financial assets held for trading	32	-	-	38	-	-
of which: equities	-	-	-	-	-	-
of which: quotas of UCI	-	-	-	-	-	-
b) Financial assets designated at fair value	-	-	-	-	-	-
c) Other financial assets mandatorily measured at fair value	103,508	1,373	5,744	97,638	1,078	5,554
of which: equities	*7,654*	-	*93*	*5,918*	-	*91*
of which: quotas of UCI	*85,619*	-	*4,732*	*83,830*	-	*4,696*
2. Financial assets measured at fair value through other comprehensive income	70,024	3,393	74	69,911	2,982	80
of which: equities	-	-	*7*	-	-	*7*
3. Hedging derivatives	-	30	-	-	36	-
4. Property and equipment	-	-	7	-	-	7
5. Intangible assets	-	-	-	-	-	-
Total	**173,564**	**4,796**	**5,825**	**167,587**	**4,096**	**5,641**
1. Financial liabilities held for trading	5	3	-	8	8	-
2. Financial liabilities designated at fair value	-	49,184	-	-	50,646	-
3. Hedging derivatives	-	54	-	-	47	-
Total	**5**	**49,241**	**-**	**8**	**50,701**	**-**

With regard to the assets of Insurance Companies, level 3 instruments, which allow for more discretion in fair value measurement, account for a very small portion of the portfolio, with an impact of 3.2% on total assets (also 3.2% as at 31 December 2024).
94.2% of financial assets measured at fair value in the insurance segment are determined based on market prices (level 1), and therefore without any discretion by the valuator.
Liabilities at fair value were almost entirely measured using level 2 inputs and attributable to unit-linked investment contracts included under Financial liabilities designated at fair value.

In addition to the transfers relating to financial assets and liabilities in the insurance segment designated at level 3 as detailed below, please note that the following transfers were made during 2025:
– from level 1 to level 2:
  - financial assets mandatorily measured at fair value for 1 million euro (book value as at 31 December 2025);
  - financial assets measured at fair value through other comprehensive income for 244 million euro (book value as at 31 December 2025);
– from level 2 to level 1:
  - financial assets measured at fair value through other comprehensive income for 151 million euro (book value as at 31 December 2025);

The transfers between fair value levels are determined by the trends in the observability of prices or market data used to measure the instruments and by the materiality of the unobservable inputs.
The transition from level 1 to level 2 is a consequence of the disappearance of an active market for that instrument assessed by analysing the reliability and the reciprocal consistency of the available prices according to the Group's Guidelines and Rules for Valuation of Financial Instruments at Fair Value. Conversely, securities for which a mark-to-model measurement is performed using inputs that can be observed on the market – classified, therefore, as level 2 – are transferred to level 1 when the existence of an active market is identified.

A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (Level 3)

(millions of euro)

	Assets measured at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Property 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. Initial amount	**9,809**	**154**	**4**	**9,651**	**812**	**-**	**6,607**	**-**
2. Increases	**1,979**	**45**	**3**	**1,931**	**37**	**-**	**254**	**-**
2.1 Purchases	1,015	22	-	993	2	-	85	-
2.2 Gains recognised in:	518	5	-	513	8	-	29	-
2.2.1 Income statement	518	5	-	513	-	-	4	-
- of which capital gains	*493*	*3*	-	*490*	-	-	*4*	-
2.2.2 Shareholders' equity	-	X	X	X	8	-	25	-
2.3 Transfers from other levels	18	14	-	4	8	-	-	-
2.4 Other increases	428	4	3	421	19	-	140	-
3. Decreases	**-1,780**	**-59**	**-3**	**-1,718**	**-154**	**-**	**-292**	**-**
3.1 Sales	-796	-31	-	-765	-37	-	-12	-
3.2 Reimbursements	-67	-9	-	-58	-12	-	-	-
3.3 Losses recognised in:	-615	-7	-	-608	-13	-	-143	-
3.3.1 Income statement	-615	-7	-	-608	-	-	-133	-
- of which capital losses	*-595*	*-7*	-	*-588*	-	-	*-133*	-
3.3.2 Shareholders' equity	-	X	X	X	-13	-	-10	-
3.4 Transfers to other levels	-21	-2	-	-19	-50	-	-	-
3.5 Other decreases	-281	-10	-3	-268	-42	-	-137	-
4. Final amount	**10,008**	**140**	**4**	**9,864**	**695**	**-**	**6,569**	**-**

A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (Level 3) (of which: Banking Group and Other companies)

(millions of euro)

	Assets measured at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Property 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. Initial amount	**4,255**	**154**	**4**	**4,097**	**732**	**-**	**6,600**	**-**
2. Increases	**653**	**45**	**3**	**605**	**26**	**-**	**254**	**-**
2.1 Purchases	259	22	-	237	2	-	85	-
2.2 Gains recognised in:	164	5	-	159	4	-	29	-
2.2.1 Income statement	164	5	-	159	-	-	4	-
- of which capital gains	*145*	*3*	-	*142*	-	-	*4*	-
2.2.2 Shareholders' equity	-	X	X	X	4	-	25	-
2.3 Transfers from other levels	18	14	-	4	8	-	-	-
2.4 Other increases	212	4	3	205	12	-	140	-
3. Decreases	**-644**	**-59**	**-3**	**-582**	**-137**	**-**	**-292**	**-**
3.1 Sales	-94	-31	-	-63	-37	-	-12	-
3.2 Reimbursements	-67	-9	-	-58	-6	-	-	-
3.3 Losses recognised in:	-214	-7	-	-207	-8	-	-143	-
3.3.1 Income statement	-214	-7	-	-207	-	-	-133	-
- of which capital losses	*-207*	*-7*	-	*-200*	-	-	*-133*	-
3.3.2 Shareholders' equity	-	X	X	X	-8	-	-10	-
3.4 Transfers to other levels	-21	-2	-	-19	-44	-	-	-
3.5 Other decreases	-248	-10	-3	-235	-42	-	-137	-
4. Final amount	**4,264**	**140**	**4**	**4,120**	**621**	**-**	**6,562**	**-**

A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (Level 3) (of which: Insurance companies)

(millions of euro)

	Assets measured at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Property 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. Initial amount	**5,554**	**-**	**-**	**5,554**	**80**	**-**	**7**	**-**
2. Increases	**1,326**	**-**	**-**	**1,326**	**11**	**-**	**-**	**-**
2.1 Purchases	756	-	-	756	-	-	-	-
2.2 Gains recognised in:	354	-	-	354	4	-	-	-
2.2.1 Income statement	354	-	-	354	-	-	-	-
- of which capital gains	*348*	-	-	*348*	-	-	-	-
2.2.2 Shareholders' equity	-	X	X	X	4	-	-	-
2.3 Transfers from other levels	-	-	-	-	-	-	-	-
2.4 Other increases	216	-	-	216	7	-	-	-
3. Decreases	**-1,136**	**-**	**-**	**-1,136**	**-17**	**-**	**-**	**-**
3.1 Sales	-702	-	-	-702	-	-	-	-
3.2 Reimbursements	-	-	-	-	-6	-	-	-
3.3 Losses recognised in:	-401	-	-	-401	-5	-	-	-
3.3.1 Income statement	-401	-	-	-401	-	-	-	-
- of which capital losses	*-388*	-	-	*-388*	-	-	-	-
3.3.2 Shareholders' equity	-	X	X	X	-5	-	-	-
3.4 Transfers to other levels	-	-	-	-	-6	-	-	-
3.5 Other decreases	-33	-	-	-33	-	-	-	-
4. Final amount	**5,744**	**-**	**-**	**5,744**	**74**	**-**	**7**	**-**

A.4.5.3 Annual changes in financial liabilities measured at fair value on a recurring basis (level 3)

(millions of euro)

	Financial liabilities held for trading	Financial liabilities designated at fair value	Hedging derivatives
1. Initial amount	**10**	**76**	**-**
2. Increases	**-**	**27**	**-**
2.1 Issues	-	-	-
2.2 Losses recognised in:	-	4	-
2.2.1 Income statement	-	4	-
- of which capital losses	-	*4*	-
2.2.2 Shareholders' equity	X	-	-
2.3 Transfers from other levels	-	23	-
2.4 Other increases	-	-	-
3. Decreases	**-7**	**-68**	**-**
3.1 Reimbursements	-	-	-
3.2 Repurchases	-	-41	-
3.3 Gains recognised in:	-6	-	-
3.3.1 Income statement	-6	-	-
- of which capital gains	*-6*	-	-
3.3.2 Shareholders' equity	X	-	-
3.4 Transfers to other levels	-1	-27	-
3.5 Other decreases	-	-	-
4. Final amount	**3**	**35**	**-**

The caption “transfers to other levels” relates to certificates of the Parent Company.
Only one table is presented, because the insurance segment does not have this case.

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: fair value by level

(millions of euro)

Assets/liabilities not measured at fair value or measured at fair value on a non-recurring basis	31.12.2025				31.12.2024			
	Book value	Level 1	Level 2	Level 3	Book value	Level 1	Level 2	Level 3
1. Financial assets measured at amortised cost	532,710	55,823	293,578	172,007	518,702	44,095	298,969	167,742
2. Investment property	-	-	-	-	-	-	-	-
3. Non-current assets held for sale and discontinued operations	1,065	-	-	1,065	667	-	-	667
Total	**533,775**	**55,823**	**293,578**	**173,072**	**519,369**	**44,095**	**298,969**	**168,409**
1. Financial liabilities measured at amortised cost	623,444	52,676	531,634	41,424	599,620	58,993	499,952	42,411
2. Liabilities associated with non-current assets	45	-	-	45	5	-	-	5
Total	**623,489**	**52,676**	**531,634**	**41,469**	**599,625**	**58,993**	**499,952**	**42,416**

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: fair value by level *(of which: Banking Group and Other Companies)*

(millions of euro)

Assets/liabilities not measured at fair value or measured at fair value on a non-recurring basis	31.12.2025				31.12.2024			
	Book value	Level 1	Level 2	Level 3	Book value	Level 1	Level 2	Level 3
1. Financial assets measured at amortised cost	532,701	55,823	293,569	172,007	518,697	44,095	298,964	167,742
2. Investment property	-	-	-	-	-	-	-	-
3. Non-current assets held for sale and discontinued operations	1,065	-	-	1,065	617	-	-	617
Total	**533,766**	**55,823**	**293,569**	**173,072**	**519,314**	**44,095**	**298,964**	**168,359**
1. Financial liabilities measured at amortised cost	621,287	52,676	529,568	41,424	598,205	58,993	498,634	42,411
2. Liabilities associated with non-current assets	45	-	-	45	5	-	-	5
Total	**621,332**	**52,676**	**529,568**	**41,469**	**598,210**	**58,993**	**498,634**	**42,416**

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: fair value by level *(of which: Insurance Companies)*

(millions of euro)

Assets/liabilities not measured at fair value or measured at fair value on a non-recurring basis	31.12.2025				31.12.2024			
	Book value	Level 1	Level 2	Level 3	Book value	Level 1	Level 2	Level 3
1. Financial assets measured at amortised cost	9	-	9	-	5	-	5	-
2. Investment property	-	-	-	-	-	-	-	-
3. Non-current assets held for sale and discontinued operations	-	-	-	-	50	-	-	50
Total	**9**	**-**	**9**	**-**	**55**	**-**	**5**	**50**
1. Financial liabilities measured at amortised cost	2,157	-	2,066	-	1,415	-	1,318	-
2. Liabilities associated with non-current assets	-	-	-	-	-	-	-	-
Total	**2,157**	**-**	**2,066**	**-**	**1,415**	**-**	**1,318**	**-**

Financial assets and liabilities

For financial assets and liabilities not measured at fair value (loans and loans represented by securities, amounts due to customers and securities issued), the Group measures fair value by calculating the present value of future cash flows at a rate that incorporates the estimate of the main risks and uncertainties associated with the financial instrument to be measured (discount rate adjustment approach).

In particular, the interest rate used to discount the future cash flows is determined by taking into account the following risk factors:

– interest rate risk, which represents the rate offered by the market for each unit of capital provided to risk-free counterparties;
– credit risk, which is the premium for having provided capital to counterparties with insolvency risk.

For fixed-rate instruments, the cash flows are those envisaged by the contracts. For floating-rate instruments, the future cash flows are determined based on forward rates, implicit in the zero-coupon interest rate curves observed at the various fixing dates and differentiated by indexation type.

The value of the risk premium (credit spread) is determined per individual position, through acquisition of the risk class (LGD) and rating (PD). These amounts, together with the average residual financial life, constitute the guideline for acquisition of the credit spread. For securities issued, the construction of the spread curve follows the rules set out in the Rules for Valuation of Financial Instruments at Fair Value.

The following assumptions were used in determining the fair values indicated in table A.4.5.4:

– for loans represented by securities, the same rules envisaged for the fair value measurement of other categories of securities are used;
– for securities issued, the rules used are the same as those applied to securities under assets;
– the book value is calculated as the reasonable approximation of fair value for:
  - demand financial items (assets and liabilities) or financial items with an original maturity equal to or shorter than 12 months and residual maturity equal to or shorter than 12 months: in the table, the column corresponding to level 2 of the fair value hierarchy presents the short-term financial items and cash collateral for financial operations, while the column corresponding to level 3 of the fair value hierarchy presents demand loans;
  - non-performing assets which in the table are included in the column corresponding to level 3 of the fair value hierarchy.

A.5 – INFORMATION ON "DAY ONE PROFIT/LOSS"

Under IFRS 9, financial instruments shall be initially recognised at fair value. The fair value of a financial instrument at initial recognition is normally the "transaction price", i.e. the fair value of the consideration given or received in relation to, respectively, financial assets and liabilities. The fact that, upon initial recognition, the fair value of a financial instrument normally coincides with the transaction price is usually intuitively verifiable in the case of transactions falling under level 1 of the fair value hierarchy. Any differences between the price and the fair value are usually attributable to the so-called commercial margins, which are considered as not falling within the scope of Day One Profit (DOP). Therefore, commercial margins are taken to the income statement on the first subsequent measurement of the financial instrument. Also in the case of level 2, which is based on quotes that can be derived indirectly from the market (Comparable Approach), the fair value and the price often coincide upon initial recognition. Any residual differences, as in the previous case, are usually attributable to the commercial margins. With respect to level 3 instruments, no definite reference benchmark is available to compare the transaction price with, since there is more discretion in fair value measurement. For the same reason, the calculation of any commercial margin to be taken to the income statement is also difficult. In this event, the instrument is always initially recognised at the transaction cost, irrespective of whether it is possible to identify commercial margins. Subsequent measurement shall not include the difference between cost and fair value identified upon initial recognition (also defined as DOP). This difference shall be recognised in the income statement only when it arises from changes to the factors over which market participants base their valuations when fixing prices (including the time effect). Where unobservable inputs used to estimate the fair value become observable, the residual deferred DOPs are recognised in the income statement. Similarly, in the event of "on the book" transactions falling under the investment division's activities, the DOPs earned on transactions – included in the above on the book management – are taken to the income statement when transactions are carried out which substantially eliminate the risks linked to unobservable parameters of the instrument which generated the DOP.

Following the derecognition, at the end of 2024, of amounts previously suspended in the Balance Sheet following the closure of the associated transactions, there is nothing to report during all of 2025.

Part B - Information on the consolidated balance sheet

ASSETS

SECTION 1 - CASH AND CASH EQUIVALENTS - CAPTION 10

1.1 Cash and cash equivalents: breakdown

(millions of euro)

	31.12.2025	31.12.2024
a) Cash	4,032	3,882
b) Current accounts and on demand deposits with Central Banks	30,609	32,531
c) Current accounts and on demand deposits with banks	3,227	4,120
Total	**37,868**	**40,533**

SECTION 2 - FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS CAPTION 20

2.1 Financial assets held for trading: breakdown

(millions of euro)

Captions	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
A. Cash assets						
1. Debt securities	12,133	1,504	74	6,759	1,285	82
1.1 Structured securities	*240*	*1*	-	*31*	*4*	-
1.2 Other debt securities	*11,893*	*1,503*	*74*	*6,728*	*1,281*	*82*
2. Equities	5,446	-	1	7,588	-	1
3. Quotas of UCI	438	-	34	440	-	37
4. Loans	-	-	10	-	65	9
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	*10*	-	*65*	*9*
Total (A)	**18,017**	**1,504**	**119**	**14,787**	**1,350**	**129**
B. Derivatives						
1. Financial derivatives	70	21,410	21	161	21,935	25
1.1 trading	*70*	*21,396*	*21*	*161*	*21,910*	*25*
1.2 fair value option	-	-	-	-	-	-
1.3 other	-	*14*	-	-	*25*	-
2. Credit derivatives	-	5,100	-	-	3,052	-
2.1 trading	-	*5,100*	-	-	*3,052*	-
2.2 fair value option	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total (B)	**70**	**26,510**	**21**	**161**	**24,987**	**25**
TOTAL (A+B)	**18,087**	**28,014**	**140**	**14,948**	**26,337**	**154**

The total amount of the Financial assets held for trading as at 31 December 2025 of 46,241 million euro (41,439 million euro as at 31 December 2024) consisted of 46,209 million euro for the "Banking Group" and 32 million euro for the "Insurance Companies"; as at 31 December 2024 these amounts were 41,401 million euro and 38 million euro respectively.

Structured securities as at 31 December 2025 consist of 229 million euro of fixed-rate debt securities indexed to inflation, as an additional component, and 12 million euro of debt securities convertible into shares.

Other debt securities are made up of the securities connected with securitisation transactions for a total amount of 1,183 million euro (1,126 million euro Level 2 and 57 million euro Level 3), of which 1,042 million euro is senior, 132 million euro is mezzanine and 9 million euro is junior.

Equity instruments as at 31 December 2025 include investments correlated with financial trading derivatives on equity instruments and stock indices.

As the gross positive fair value of the derivative instruments implemented with the legal clearing agent LCH Ltd. meets the requirements set out for offsetting between gross positive and negative balances pursuant to IAS 32, paragraph 42, it was subject to offsetting, with recognition of the net fair value based on the balances under Financial liabilities held for trading and Financial assets held for trading, respectively.

2.2 Financial assets held for trading: borrower/issuer/counterparty breakdown

(millions of euro)

Captions	31.12.2025	31.12.2024
A. Cash assets		
1. Debt securities	**13,711**	**8,126**
a) Central Banks	216	220
b) Public administration	7,943	3,517
c) Banks	2,740	2,347
d) Other financial companies	2,232	1,653
of which: insurance companies	*160*	*156*
e) Non financial companies	580	389
2. Equities	**5,447**	**7,589**
a) Banks	444	399
b) Other financial companies	784	1,200
of which: insurance companies	*138*	*173*
c) Non financial companies	4,219	5,990
d) Other issuers	-	-
3. Quotas of UCI	**472**	**477**
4. Loans	**10**	**74**
a) Central Banks	-	-
b) Public administration	-	-
c) Banks	-	-
d) Other financial companies	-	7
of which: insurance companies	-	-
e) Non financial companies	10	67
f) Households	-	-
Total A	**19,640**	**16,266**
B. Derivatives		
a) Central counterparties	7,164	5,058
b) Other	19,437	20,115
Total B	**26,601**	**25,173**
TOTAL (A+B)	**46,241**	**41,439**

Quotas of UCI held at the end of the year mainly included hedge funds for 295 million euro.

2.3 Financial assets designated at fair value: breakdown

(millions of euro)

Captions	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	**-**	**-**	**1**	**-**	**2**	**1**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	-	-	1	-	2	1
2. Loans	**-**	**-**	**3**	**-**	**-**	**3**
2.1 Structured	-	-	-	-	-	-
2.2 Other	-	-	3	-	-	3
Total	**-**	**-**	**4**	**-**	**2**	**4**

This caption refers entirely to the "Banking Group".
This category includes debt securities linked to financial instruments measured at fair value through profit and loss, such as financial derivatives. On the basis of the debt securities, no hedges were arranged through credit derivatives or similar instruments to mitigate the relevant credit risk.
The fair value change attributable to the measurement of credit risk of financial assets designated at fair value was nil, both during the year and in cumulative terms.

2.4 Financial assets designated at fair value: borrower/issuer breakdown

(millions of euro)

Captions	31.12.2025	31.12.2024
1. Debt securities	**1**	**3**
a) Central Banks	-	-
b) Public administration	-	2
c) Banks	-	-
d) Other financial companies	1	1
of which: insurance companies	-	-
e) Non financial companies	-	-
2. Loans	**3**	**3**
a) Central Banks	-	-
b) Public administration	-	-
c) Banks	3	3
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non financial companies	-	-
f) Households	-	-
Total	**4**	**6**

2.5 Other financial assets mandatorily measured at fair value: breakdown

(millions of euro)

Captions	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	**10,235**	**1,389**	**413**	**7,890**	**1,119**	**431**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	10,235	1,389	413	7,890	1,119	431
2. Equities	**7,859**	**530**	**107**	**6,090**	**296**	**104**
3. Quotas of UCI	**85,683**	**194**	**8,208**	**83,884**	**201**	**8,236**
4. Loans	**-**	**473**	**1,136**	**-**	**367**	**880**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	473	1,136	-	367	880
Total	**103,777**	**2,586**	**9,864**	**97,864**	**1,983**	**9,651**

The total amount of the Financial assets mandatorily measured at fair value as at 31 December 2025 of 116,227 million euro (109,498 million euro as at 31 December 2024) consisted of 5,602 million euro for the "Banking Group" and 110,625 million euro for the "Insurance Companies"; as at 31 December 2024, these amounts were 5,228 million euro and 104,270 million euro respectively.
The details for the "Banking Group" and "Insurance Companies" are provided below.

2.5 Other financial assets mandatorily measured at fair value: breakdown (of which: Banking Group)

(millions of euro)

Captions	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	**-**	**18**	**30**	**-**	**41**	**57**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	-	18	30	-	41	57
2. Equities	**205**	**530**	**14**	**172**	**296**	**13**
3. Quotas of UCI	**64**	**194**	**3,476**	**54**	**201**	**3,540**
4. Loans	**-**	**471**	**600**	**-**	**367**	**487**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	471	600	-	367	487
Total	**269**	**1,213**	**4,120**	**226**	**905**	**4,097**

Other debt securities include the securities connected with securitisation transactions for a total amount of 39 million euro (9 million euro Level 2 and 30 million euro Level 3), of which 10 million euro is senior, 21 million euro is mezzanine and 8 million euro is junior.

2.5 Other financial assets mandatorily measured at fair value: breakdown (of which: insurance companies)

(millions of euro)

Captions	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	**10,235**	**1,371**	**383**	**7,890**	**1,078**	**374**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	10,235	1,371	383	7,890	1,078	374
2. Equities	**7,654**	**-**	**93**	**5,918**	**-**	**91**
3. Quotas of UCI	**85,619**	**-**	**4,732**	**83,830**	**-**	**4,696**
4. Loans	**-**	**2**	**536**	**-**	**-**	**393**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	2	536	-	-	393
Total	**103,508**	**1,373**	**5,744**	**97,638**	**1,078**	**5,554**

Other debt securities include the securities connected with securitisations for a total amount of 33 million euro (entirely Level 3).

2.6 Other financial assets mandatorily measured at fair value: borrower/issuer breakdown

(millions of euro)

Captions	31.12.2025	Of which:			31.12.2024
		Banking group	*Insurance companies*	*Other companies*	
1. Equities	**8,496**	**749**	**7,747**	**-**	**6,490**
of which: banks	*921*	*-*	*921*	*-*	*536*
of which: other financial companies	*501*	*245*	*256*	*-*	*409*
of which: non financial companies	*7,074*	*504*	*6,570*	*-*	*5,545*
2. Debt securities	**12,037**	**48**	**11,989**	**-**	**9,440**
a) Central Banks	99	-	99	-	74
b) Public administration	7,971	-	7,971	-	5,763
c) Banks	1,751	-	1,751	-	1,591
d) Other financial companies	1,186	48	1,138	-	995
of which: insurance companies	*672*	*-*	*672*	*-*	*641*
e) Non financial companies	1,030	-	1,030	-	1,017
3. Quotas of UCI	**94,085**	**3,734**	**90,351**	**-**	**92,321**
4. Loans	**1,609**	**1,071**	**538**	**-**	**1,247**
a) Central Banks	-	-	-	-	-
b) Public administration	-	-	-	-	-
c) Banks	621	83	538	-	458
d) Other financial companies	68	68	-	-	113
of which: insurance companies	*7*	*7*	*-*	*-*	*7*
e) Non financial companies	395	395	-	-	328
f) Households	525	525	-	-	348
Total	**116,227**	**5,602**	**110,625**	**-**	**109,498**

With regard to the Banking Group, the quotas of UCI are mainly attributable to the Parent Company and in terms of composition they relate, in order of significance, to private equity funds, private debt funds, hedge funds, infrastructure funds, venture capital funds and other equity funds. The caption also includes 163 million euro relating to interests held by the bank in the Atlante Fund and in the Italian Recovery Fund (formerly Atlante Fund II), as alternative investment funds to support Italian banks in their recapitalisation transactions and in the management of the bad loans in the sector.
With regard to the insurance undertakings, on the other hand, the quotas of UCI are attributable to Intesa Sanpaolo Assicurazioni and Fideuram Vita and in terms of composition they mainly relate to bond, equity and flexible funds.

Loans include credit exposures classified among financial assets mandatorily measured at fair value as they failed the test on the contractual characteristics of cash flows (SPPI Test) required by IFRS 9.

SECTION 3 - FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - CAPTION 30

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

(millions of euro)

Captions	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	**150,458**	**9,085**	**67**	**139,123**	**8,760**	**81**
1.1 Structured securities	196	-	-	970	-	-
1.2 Other debt securities	150,262	9,085	67	138,153	8,760	81
2. Equities	**638**	**141**	**572**	**542**	**122**	**648**
3. Loans	**-**	**2,424**	**56**	**-**	**910**	**83**
Total	**151,096**	**11,650**	**695**	**139,665**	**9,792**	**812**

The total amount of the Financial assets measured at fair value through other comprehensive income as at 31 December 2025 of 163,441 million euro (150,269 million euro as at 31 December 2024) consisted of 89,950 million euro for the "Banking Group" and 73,491 million euro for the "Insurance Companies"; as at 31 December 2024, these amounts were 77,296 million euro and 72,973 million euro respectively.
The details for the "Banking Group" and "Insurance Companies" are provided below.

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

(millions of euro)

Captions	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	**80,434**	**5,692**	**-**	**69,212**	**5,778**	**8**
1.1 Structured securities	196	-	-	970	-	-
1.2 Other debt securities	80,238	5,692	-	68,242	5,778	8
2. Equities	**638**	**141**	**565**	**542**	**122**	**641**
3. Loans	**-**	**2,424**	**56**	**-**	**910**	**83**
Total	**81,072**	**8,257**	**621**	**69,754**	**6,810**	**732**

Loans included in this caption, as illustrated in Part A - Accounting policies, refer to portions of syndicated loans underwritten and destined to be subsequently sold.

Structured securities as at 31 December 2025 consist entirely of fixed-rate debt securities indexed to inflation, as an additional component.

Other debt securities include the securities connected with securitisations for a total amount of 2,574 million euro (entirely Level 2), of which 2,555 million euro is senior and 19 million euro is mezzanine.

Financial assets measured at fair value through other comprehensive income (caption 2. Equities) include the stakes in the capital of the Bank of Italy for an amount of 375 million euro. In this regard, lacking recent material transactions, in line with that carried out in the 2024 Annual Report, the method based on the discounting of future dividends deriving from the investment (DDM – "Dividend Discount Model") was used to value the stake as at 31 December 2025, with classification at Level 3 of the fair value hierarchy.

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

(millions of euro)

Captions	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	**70,024**	**3,393**	**67**	**69,911**	**2,982**	**73**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	70,024	3,393	67	69,911	2,982	73
2. Equities	**-**	**-**	**7**	**-**	**-**	**7**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**70,024**	**3,393**	**74**	**69,911**	**2,982**	**80**

Other debt securities include the securities connected with securitisation transactions for a total amount of 28 million euro (17 million euro Level 1 and 11 million euro Level 2), fully senior.

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

(millions of euro)

Captions	31.12.2025	*Of which:*			31.12.2024
		Banking group	*Insurance companies*	*Other companies*	
1. Debt securities	**159,610**	**86,126**	**73,484**	**-**	**147,964**
a) Central Banks	296	155	141	-	717
b) Public administration	114,973	62,163	52,810	-	108,772
c) Banks	23,899	13,822	10,077	-	20,679
d) Other financial companies	6,789	5,754	1,035	-	6,299
of which: Insurance companies	*684*	*41*	*643*	-	*551*
e) Non financial companies	13,653	4,232	9,421	-	11,497
2. Equities	**1,351**	**1,344**	**7**	**-**	**1,312**
a) Banks	805	798	7	-	746
b) Other issuers:	546	546	-	-	566
- other financial companies	193	193	-	-	214
of which: insurance companies	-	-	-	-	*3*
- non financial companies	342	342	-	-	341
- other	11	11	-	-	11
3. Loans	**2,480**	**2,480**	**-**	**-**	**993**
a) Central Banks	-	-	-	-	-
b) Public administration	-	-	-	-	-
c) Banks	-	-	-	-	-
d) Other financial companies	408	408	-	-	251
of which: insurance companies	-	-	-	-	-
e) Non financial companies	2,072	2,072	-	-	742
f) Households	-	-	-	-	-
Total	**163,441**	**89,950**	**73,491**	**-**	**150,269**

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

(millions of euro)

	Gross amount					Total adjustments				Total partial write-offs
	Stage 1	*of which: Instruments with low credit risk*	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	
Debt securities	157,311	*155*	2,397	35	-	-48	-50	-35	-	-
Loans	2,191	-	300	10	-	-5	-11	-5	-	-
Total 31.12.2025	**159,502**	***155***	**2,697**	**45**	**-**	**-53**	**-61**	**-40**	**-**	**-**
Total 31.12.2024	**146,143**	***170***	**2,918**	**47**	**-**	**-57**	**-54**	**-40**	**-**	**-**

For the approach used to represent the gross value and the total adjustments to impaired financial assets, see the illustration provided in Part A – Accounting policies.

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

(of which: Banking Group)

(millions of euro)

	Gross amount					Total adjustments				Total partial write-offs
	Stage 1	*of which: Instruments with low credit risk*	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	
Debt securities	85,123	*155*	1,038	35	-	-23	-12	-35	-	-
Loans	2,191	-	300	10	-	-5	-11	-5	-	-
Total 31.12.2025	**87,314**	***155***	**1,338**	**45**	**-**	**-28**	**-23**	**-40**	**-**	**-**
Total 31.12.2024	**74,555**	***170***	**1,465**	**47**	**-**	**-23**	**-13**	**-40**	**-**	**-**

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

(of which: insurance companies)

(millions of euro)

	Gross amount					Total adjustments				Total partial write-offs
	Stage 1	*of which: Instruments with low credit risk*	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	
Debt securities	72,188	-	1,359	-	-	-25	-38	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 31.12.2025	**72,188**	**-**	**1,359**	**-**	**-**	**-25**	**-38**	**-**	**-**	**-**
Total 31.12.2024	**71,588**	**-**	**1,453**	**-**	**-**	**-34**	**-41**	**-**	**-**	**-**

SECTION 4 - FINANCIAL ASSETS MEASURED AT AMORTISED COST – CAPTION 40

4.1 Financial assets measured at amortised cost: breakdown of amounts due from banks

(millions of euro)

Transaction type/Amount	31.12.2025						31.12.2024					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired	Level 1	Level 2	Level 3	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired	Level 1	Level 2	Level 3
A. Due from Central Banks	**9,750**	**-**	**-**	**-**	**7,710**	**2,040**	**10,903**	**-**	**-**	**-**	**9,107**	**1,796**
1. Time deposits	590	-	-	X	X	X	1,639	-	-	X	X	X
2. Reserve requirement	7,748	-	-	X	X	X	7,740	-	-	X	X	X
3. Repurchase agreements	1,337	-	-	X	X	X	1,418	-	-	X	X	X
4. Other	75	-	-	X	X	X	106	-	-	X	X	X
B. Due from banks	**36,221**	**34**	**-**	**4,136**	**23,783**	**8,353**	**27,498**	**59**	**-**	**2,120**	**18,623**	**6,789**
1. Loans	31,825	34	-	-	23,517	8,353	25,190	59	-	-	18,480	6,767
1.1 Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2 Time deposits	1,715	-	-	X	X	X	2,079	-	-	X	X	X
1.3 Other loans:	30,110	34	-	X	X	X	23,111	59	-	X	X	X
- Reverse repurchase agreements	*20,215*	-	-	*X*	*X*	*X*	*12,898*	-	-	*X*	*X*	*X*
- Finance leases	*3*	-	-	*X*	*X*	*X*	*4*	-	-	*X*	*X*	*X*
- Other	*9,892*	*34*	-	*X*	*X*	*X*	*10,209*	*59*	-	*X*	*X*	*X*
2. Debt securities	4,396	-	-	4,136	266	-	2,308	-	-	2,120	143	22
2.1 Structured	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other	4,396	-	-	4,136	266	-	2,308	-	-	2,120	143	22
TOTAL	**45,971**	**34**	**-**	**4,136**	**31,493**	**10,393**	**38,401**	**59**	**-**	**2,120**	**27,730**	**8,585**

The total amount of the Financial assets measured at amortised cost – Due from banks - relates entirely to the Banking Group. The sub-caption “Other loans - Other” includes operating loans, i.e. operations connected to the provision of financial activities and services with no credit facilities, for an amount of 170 million euro. Those exposures are essentially performing loans classified in Stage 1 and adjusted based on IFRS 9.

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

(millions of euro)

Transaction type/Amount	31.12.2025						31.12.2024					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired	Level 1	Level 2	Level 3	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired	Level 1	Level 2	Level 3
1. Loans	**408,925**	**3,831**	**100**	**-**	**247,915**	**154,397**	**408,409**	**4,751**	**193**	**-**	**257,245**	**151,054**
1.1. Current accounts	21,244	285	2	X	X	X	21,187	428	5	X	X	X
1.2. Reverse repurchase agreements	22,003	-	-	X	X	X	17,991	-	-	X	X	X
1.3. Mortgages	213,876	2,399	63	X	X	X	214,627	2,924	96	X	X	X
1.4. Credit card loans, personal loans and transfer of one fifth of salaries	21,276	246	3	X	X	X	20,375	273	3	X	X	X
1.5. Finance leases	5,672	118	26	X	X	X	6,467	223	79	X	X	X
1.6. Factoring	9,831	43	-	X	X	X	10,265	63	-	X	X	X
1.7. Other loans	115,023	740	6	X	X	X	117,497	840	10	X	X	X
2. Debt securities	**73,206**	**643**	**-**	**51,687**	**14,170**	**7,217**	**66,860**	**29**	**-**	**41,975**	**13,994**	**8,103**
2.1. Structured securities	2,473	-	-	1,438	810	-	3,778	-	-	2,270	930	49
2.2. Other debt securities	70,733	643	-	50,249	13,360	7,217	63,082	29	-	39,705	13,064	8,054
Total	**482,131**	**4,474**	**100**	**51,687**	**262,085**	**161,614**	**475,269**	**4,780**	**193**	**41,975**	**271,239**	**159,157**

The total amount of the Financial assets measured at amortised cost – loans to customers as at 31 December 2025 of 486,705 million euro (480,242 million euro as at 31 December 2024) consisted of 480,694 million euro for the "Banking Group”, 9 million euro for "Insurance Companies”, and 6,002 million euro for “Other companies”; as at 31 December 2024 these amounts were 472,543 million euro, 5 million euro and 7,694 million euro respectively.
The sub-caption “Other loans” includes operating loans, i.e. operations connected to the provision of financial activities and services with no credit facilities, for an amount of 941 million euro. Those exposures are essentially performing loans classified in Stage 1 and adjusted based on IFRS 9.

The amount of Debt securities - Structured securities, under sub-caption 2.1, consists entirely of fixed-rate debt securities indexed to inflation, as an additional component.
Debt securities include the securities connected with securitisations for a total amount of approximately 7,201 million euro (6,391 million euro Level 2 and 810 million euro Level 3), of which approximately 7,186 million euro is senior notes and 15 million euro mezzanine.
As at 31 December 2025, loans include around 1.2 billion euro referring to an institutional customer which turned in its banking licence, previously classified under due from banks, of which 0.1 billion euro on current accounts and 1.1 billion euro on other loans.

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

(millions of euro)

Transaction type/Amount	31.12.2025			31.12.2024		
	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired
1. Debt securities	**73,206**	**643**	**-**	**66,860**	**29**	**-**
a) Public administration	51,379	1	-	45,621	6	-
b) Other financial companies	15,716	628	-	17,606	8	-
of which: insurance companies	*37*	-	-	*23*	-	-
c) Non financial companies	6,111	14	-	3,633	15	-
2. Loans:	**408,925**	**3,831**	**100**	**408,409**	**4,751**	**193**
a) Public administration	17,298	31	-	15,450	194	-
b) Other financial companies	55,484	134	-	52,391	203	-
of which: insurance companies	*85*	-	-	*232*	-	-
c) Non financial companies	157,713	2,445	46	166,065	2,880	116
d) Households	178,430	1,221	54	174,503	1,474	77
TOTAL	**482,131**	**4,474**	**100**	**475,269**	**4,780**	**193**

4.4 Financial assets measured at amortised cost: gross amount and total adjustments

(millions of euro)

	Gross amount					Total adjustments				Total partial write-offs
	Stage 1	*of which: Instruments with low credit risk*	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	
Debt securities	75,288	-	2,503	833	-	-44	-72	-190	-	-
Loans	419,112	-	33,239	7,468	134	-529	-1,395	-3,603	-34	**1,066**
Total 31.12.2025	**494,400**	**-**	**35,742**	**8,301**	**134**	**-573**	**-1,467**	**-3,793**	**-34**	**1,066**
Total 31.12.2024	**473,503**	**-**	**42,473**	**9,611**	**270**	**-578**	**-1,728**	**-4,772**	**-77**	**1,683**

For the approach used to represent the gross value and the total adjustments to impaired financial assets, see the illustration provided in Part A – Accounting policies.

On 16 December 2022, the EBA repealed the Guidelines on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis, contained in EBA/GL/2020/07, with effect from 1 January 2023, following the change in the scenario related to the pandemic. However, the Bank of Italy, in the communication dated 14 March 2023, requested that certain financial statement disclosures be maintained on loans subject to public guarantees, in free format at the bottom of this table.

In this regard, it should be noted that the gross value of the loans subject to public guarantees issued in response to the COVID-19 situation as at 31 December 2025 amounted to 8,175 million euro, of which 6,002 million euro in stage 1, 1,280 million euro in stage 2, and 893 million euro in stage 3.
The total adjustments amounted to 326 million euro, of which 6 million euro related to stage 1, 19 million euro to stage 2, and 301 million euro to stage 3.

SECTION 5 - HEDGING DERIVATIVES – CAPTION 50

Concerning the objectives and the strategies underlying hedging transactions see the information provided in Part E – Information on risks and relative hedging policies, Section 2 – Market risks.

5.1 Hedging derivatives: breakdown by type of hedge and level

(millions of euro)

	Fair value 31.12.2025			Notional amount	Fair value 31.12.2024			Notional amount
	Level 1	Level 2	Level 3	31.12.2025	Level 1	Level 2	Level 3	31.12.2024
A. Financial derivatives								
1. Fair Value	-	7,182	-	326,298	-	6,352	-	302,837
2. Cash flows	-	190	-	12,553	-	153	-	18,385
3. Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives								
1. Fair Value	-	-	-	-	-	-	-	-
2. Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**7,372**	**-**	**338,851**	**-**	**6,505**	**-**	**321,222**

The total amount of the hedging derivatives as at 31 December 2025 of 7,372 million euro (6,505 million euro as at 31 December 2024) consisted of 7,342 million euro for the "Banking Group" and 30 million euro for the "Insurance Companies". As at 31 December 2024, those amounts were 6,469 million euro and 36 million euro respectively.

With regard to the Banking Group, because the gross positive fair value of Hedging derivatives implemented with the legal clearing agent LCH Ltd. meets the requirements set out for offsetting between gross positive and negative balances pursuant to IAS 32, paragraph 42, it was subject to offsetting, with recognition of the net fair value under Financial liabilities held for trading.

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

(millions of euro)

Transactions / Type of hedge	Fair Value						Cash-flow			Foreign investm
	Specific						Generic	Specific	Generic	
	debt securities and interest rates	equities and stock indices	foreign exchange rates and gold	credit risk	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	722	-	534	-	X	X	X	30	X	X
2. Financial assets measured at amortised cost	1,619	X	21	-	X	X	X	11	X	X
3. Portfolio	X	X	X	X	X	X	2,816	X	35	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**2,341**	**-**	**555**	**-**	**-**	**-**	**2,816**	**41**	**35**	**-**
1. Financial liabilities	407	X	1	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	1,062	X	114	X
Total liabilities	**407**	**-**	**1**	**-**	**-**	**-**	**1,062**	**-**	**114**	**-**
1. Forecast transactions	X	X	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	-	X	-	-

The table indicates positive fair values of hedging derivatives, broken down in relation to asset or liability hedged and type of hedge.
Considering the values gross of netting in the financial statements, these continued to refer mainly to macro fair value hedges of loans disbursed and liabilities represented by core deposits, as well as micro fair value hedges of debt securities under assets.

SECTION 6 – FAIR VALUE CHANGE OF FINANCIAL ASSETS IN HEDGED PORTFOLIOS – CAPTION 60

6.1 Fair value change of hedged assets: breakdown by hedged portfolios

(millions of euro)

Fair value change of hedged assets / Amount	31.12.2025	31.12.2024
1. Positive fair value change	**365**	**1,357**
1.1 of specific portfolios:	345	1,315
a) financial assets measured at amortised cost	*345*	*1,315*
b) financial assets measured at fair value through other comprehensive income	-	-
1.2 overall	20	42
2. Negative fair value change	**-6,347**	**-4,959**
2.1 of specific portfolios:	-6,271	-4,906
a) financial assets measured at amortised cost	*-6,271*	*-4,906*
b) financial assets measured at fair value through other comprehensive income	-	-
2.2 overall	-76	-53
Total	**-5,982**	**-3,602**

The balance of the changes in value of assets subject to macrohedging against interest rate risk is recorded in this caption. For the application the Group took advantage of the option envisaged by IFRS 9 to continue to apply the provisions permitted by the IAS 39 carve out.

The greater negative balance compared to 31 December 2024 of the fair value change of financial assets in interest rate risk macro hedged portfolios was the result of the trend in interest rates, and should be read jointly with the trend in fair value of hedging derivatives.

SECTION 7 – INVESTMENTS IN ASSOCIATES AND COMPANIES SUBJECT TO JOINT CONTROL – CAPTION 70

7.1 Investments in associates and companies subject to joint control: information on equity interests

	Companies	Registered office	Place of business	Type of relationship (a)	INVESTMENT		Votes available % (b)
					Direct ownership	% held	
A. COMPANIES SUBJECT TO JOINT CONTROL							
1	Apside S.p.A. (c)	Turin	Turin	7	Intesa Sanpaolo S.p.A.	50.00	
	Capital Euro 50,000 in shares of Euro 1						
2	Augusto S.r.l.	Milan	Milan	7	Intesa Sanpaolo S.p.A.	5.00	
	Capital Euro 10,000 in shares of Euro 1						
3	Diocleziano S.r.l.	Milan	Milan	7	Intesa Sanpaolo S.p.A.	5.00	
	Capital Euro 10,000 in shares of Euro 1						
4	Mir Capital Management S.A. in liquidation	Luxembourg	Luxembourg	7	Private Equity International S.A.	50.00	
	Capital Euro 31,000 in shares of Euro 1						
5	Mir Capital S.C.A. SICAR in liquidation	Luxembourg	Luxembourg	7	Private Equity International S.A.	50.00	
	Capital Euro 65,365,000 in shares of Euro 1						
6	Mooney Group S.p.A.	Milan	Milan	7	Isybank S.p.A.	50.00	
	Capital Euro 10,050,000 in shares of Euro 0.20						
7	PBZ Croatia Osiguranje Public Limited Company for Compulsory Pension Fund Management	Zagreb	Zagreb	7	Privredna Banka Zagreb D.D.	50.00	
	Capital Euro 7,488,000 in shares of Euro 133						
B. COMPANIES SUBJECT TO SIGNIFICANT INFLUENCE							
1	1875 Finance Holding AG	Sarnen	Sarnen	4	Reyl&Cie S.A.	40.00	
	Capital CHF 500,000 in shares of CHF 1						
2	Asteria Investment Managers S.A.	Geneva	Geneva	4	Fideuram - Intesa Sanpaolo Private Banking S.p.A.	49.00	
	Capital CHF 2,300,000 in shares of CHF 10						
3	Back2Bonis	Milan	Milan	4	Intesa Sanpaolo S.p.A.	42.47	35,00 (*)
	Capital Euro 1,062,413,350 in shares of Euro 500,000						
4	Brera Sec S.r.l. (d)	Conegliano	Conegliano	4	Intesa Sanpaolo S.p.A.	5.00	
	Capital Euro 10,000 in shares of Euro 1						
5	Camfin S.p.A. (e)	Milan	Milan	4	Intesa Sanpaolo S.p.A.	4.60	8,53 (*)
	Capital Euro 110,000,000 in shares of Euro 0.2						
6	Cassa di Risparmio di Fermo S.p.A.	Fermo	Fermo	4	Intesa Sanpaolo S.p.A.	33.33	
	Capital Euro 39,241,088 in shares of Euro 51.65						
7	Clara Sec S.r.l. (d)	Conegliano	Conegliano	4	Intesa Sanpaolo S.p.A.	5.00	
	Capital Euro 10,000 in shares of Euro 1						
8	Compagnia Aerea Italiana S.p.A.	Rome	Fiumicino	4	Intesa Sanpaolo S.p.A.	27.49	
	Capital Euro 3,526,846 in shares of Euro 0.00004						
9	Destination Gusto S.r.l. (f)	Milan	Milan	4	Intesa Sanpaolo S.p.A.	49.00	
	Capital Euro 20,000 in shares of Euro 1						
10	Digit'ed Holding S.p.A. (g)	Milan	Milan	4	Intesa Sanpaolo S.p.A.	18.93	19,35 (*)
	Capital Euro 2,267,760 in shares of Euro 1						
11	ECRA Private Debt Fund	Milan	Milan	4	Intesa Sanpaolo S.p.A.	8.58	
	Capital Euro 174,748,000 in shares of Euro 1,000				Eurizon Capital Real Asset SGR S.p.A.	1.00	
						9.58	
12	Efesto	Conegliano	Conegliano	4	Intesa Sanpaolo S.p.A.	38.60	
	Capital Euro 1,514,603,541 in shares of Euro 1						
13	Equiter S.p.A.	Turin	Turin	4	Intesa Sanpaolo S.p.A.	32.88	
	Capital Euro 150,004,017 in shares of Euro 1						
14	Europrogetti & Finanza S.r.l. in liquidation	Rome	Rome	4	Intesa Sanpaolo S.p.A.	15.97	
	Capital Euro 5,636,400 in shares of Euro 1						
15	FI.NAV Sub-fund A loans (h)	Rome	Rome	4	Intesa Sanpaolo S.p.A.	50.54	
	Capital Euro 405,821,168 in shares of Euro 1						

	Companies	Registered office	Place of business	Type of relationship (a)	INVESTMENT Direct ownership	% held	Votes available % (b)
16	Basket Eque Fund Capital Euro 20,500,000 in shares of Euro 1	Milan	Milan	4	Intesa Sanpaolo S.p.A.	24.39	
17	Fondo di Rigenerazione Urbana Sicilia S.r.l. (i) Capital Euro 50,000 in shares of Euro 1	Palermo	Turin	4	Intesa Sanpaolo S.p.A.	100.00	
18	Eleuteria Fund Capital Euro 360,249,050 in shares of Euro 209,387	Milan	Milan	4	Intesa Sanpaolo S.p.A.	32.28	30,00 (*)
19	Fondo per la ricerca e l'innovazione S.r.l. RIF (i) Capital Euro 25,000 in shares of Euro 1	Turin	Turin	4	Intesa Sanpaolo S.p.A.	100.00	
20	Fondo Sardegna Energia S.r.l. (i) Capital Euro 25,000 in shares of Euro 1	Cagliari	Turin	4	Intesa Sanpaolo S.p.A.	100.00	
21	Fondo Tematico Piani Urbani Integrati S.r.l. (i) Capital Euro 25,000 in shares of Euro 1	Turin	Turin	4	Intesa Sanpaolo S.p.A.	100.00	
22	Fondo Tematico Turismo S.r.l. (i) Capital Euro 25,000 in shares of Euro 1	Turin	Turin	4	Intesa Sanpaolo S.p.A.	100.00	
23	UTP Italia Fund Loans Sub-Fund Capital Euro 649,427,685 in shares of Euro 0.91	Milan	Milan	4	Intesa Sanpaolo S.p.A.	41.87	35,00 (*)
24	Giada Sec S.r.l. (d) Capital Euro 10,000 in shares of Euro 1	Conegliano	Conegliano	4	Intesa Sanpaolo S.p.A.	5.00	
25	Grenke Italia S.p.A. Capital Euro 1,000,000 in shares of Euro 1	Milan	Milan	4	Intesa Sanpaolo S.p.A.	17.00	
26	IDEA CCR (Corporate Credit Recovery) II Loans Sub-Fund Capital Euro 1,040,180,570 in shares of Euro 24,925.55	Milan	Milan	4	Intesa Sanpaolo S.p.A.	33.47	
27	Indaco Venture Partners SGR S.p.A. Capital Euro 750,000 in shares of Euro 0.50	Milan	Milan	4	Intesa Sanpaolo S.p.A.	24.50	
28	International Care Company S.p.A. Capital Euro 5,434,089 in shares of Euro 1.14	Monza	Monza	4	Intesa Sanpaolo Assicurazioni S.p.A.	10.00	
29	Intrum Italy S.p.A. Capital Euro 600,000 in shares of Euro 0.02	Milan	Milan	4	Intesa Sanpaolo S.p.A.	49.00	
30	Ism Investimenti S.p.A. Capital Euro 6,654,902 in shares of Euro 1	Mantua	Mantua	4	Intesa Sanpaolo S.p.A.	27.36	
31	Lendlease MSG Heartbeat Capital Euro 718,469,331 in shares of Euro 1	Milan	Milan	4	Intesa Sanpaolo S.p.A. Risanamento S.p.A. 52.76	52.75 0.01 52.76	40,00 (*) 40,00 (*)
32	Leonardo Technology S.r.l. in liquidation Capital Euro 242,081 in shares of Euro 1	Turin	Turin	4	Intesa Sanpaolo S.p.A.	26.60	
33	Marketwall S.r.l. Capital Euro 2,380,409 in shares of Euro 1	Milan	Milan	4	Intesa Sanpaolo S.p.A.	33.00	
34	Materias S.r.l. Capital Euro 31,418 in shares of Euro 1	Naples	Naples	4	Intesa Sanpaolo S.p.A.	13.66	
35	Misr Alexandria for Financial Investments Mutual Fund Co. in liquidation Capital Euro 30,708,000 in shares of Euro 1000	Cairo	Cairo	4	Bank of Alexandria S.A.E.	25.00	
36	Misr International Towers Co. Capital EGP 60,000,000 in shares of EGP 10	Cairo	Cairo	4	Bank of Alexandria S.A.E.	27.86	
37	Monilogi SRO Capital Euro 2,250,000 in shares of Euro 1	Bratislava	Bratislava	4	Vseobecna Uverova Banka A.S.	33.00	
38	Montefeltro Sviluppo Soc.cons. A.r.l. Capital Euro 73,000 in shares of Euro 10	Urbania	Urbania	4	Intesa Sanpaolo S.p.A.	26.37	
39	Network Impresa S.p.A. in liquidation Capital Euro 562,342 in shares of Euro 1	Limena	Limena	4	Intesa Sanpaolo S.p.A.	28.95	
40	Neva First Capital Euro 237,323,232 in shares of Euro 99.80	Turin	Turin	4	Intesa Sanpaolo Innovation Center S.p.A.	42.59	

	Companies	Registered office	Place of business	Type of relationship (a)	INVESTMENT Direct ownership	% held	Votes available % (b)
41	Penghua Fund Management Co. Ltd. Capital CNY 150,000,000 in shares of CNY 1	Shenzhen	Shenzhen	4	Eurizon Capital SGR S.p.A.	49.00	
42	R.C.N. Finanziaria S.p.A. Capital Euro 1,000,000 in shares of Euro 0.50	Mantua	Mantua	4	Intesa Sanpaolo S.p.A.	23.96	
43	Retail & Leisure Fund Capital Euro 291,914,461 in shares of Euro 1	Rome	Rome	4	Intesa Sanpaolo S.p.A.	56.52	
44	Rexer S.p.A. (j) Capital Euro 2,900,000 in shares of Euro 0.01	Monza	Monza	4	Intesa Sanpaolo S.p.A.	48.98	49,17 (*)
45	RSCT FUND - LOANS SUB-FUND (h) Capital Euro 383,363,831 in shares of Euro 1	Milan	Milan	4	Intesa Sanpaolo S.p.A.	70.07	
46	S.F. Consulting S.r.l. Capital Euro 93,600 in shares of Euro 0.52	Bergamo	Bergamo	4	Intesa Sanpaolo S.p.A.	35.00	
47	Sicily Investments S.a.r.l. Capital Euro 12,500 in shares of Euro 25	Luxembourg	Luxembourg	4	Intesa Sanpaolo S.p.A.	25.20	
48	Slovak Banking Credit Bureau S.r.o. Capital Euro 9,958.17 in shares of Euro 3,319.39	Bratislava	Bratislava	4	Vseobecna Uverova Banka A.S.	33.33	
49	Società Editrice Allemandi a r.l. Capital Euro 10,000 in shares of Euro 1	Turin	Turin	4	Intesa Sanpaolo S.p.A.	49.00	
50	Sviluppo Como - Comonext S.p.A. Capital Euro 15,325,851 in shares of Euro 0.97	Como	Lomazzo (Como)	4	Intesa Sanpaolo S.p.A.	25.16	
51	Sviluppo Industriale S.p.A. in Liquidation Capital Euro 628,444 in shares of Euro 22.26	Pistoia	Pistoia	4	Intesa Sanpaolo S.p.A.	28.27	
52	Tinexta Innovation Hub S.p.A. Capital Euro 82,628.15 in shares of Euro 0.58	Correggio	Correggio	4	Intesa Sanpaolo S.p.A.	9.52	
53	Trinacria Capital S.a.r.l. Capital Euro 12,500 in shares of Euro 25	Luxembourg	Luxembourg	4	Intesa Sanpaolo S.p.A.	25.20	
54	UTP Restructuring Corporate Capital Euro 258,074,010 in shares of Euro 1	Milan	Milan	4	Intesa Sanpaolo S.p.A.	53.08	35,00 (*)

(a) Type of relationship:
1 - majority of voting rights in the shareholders' meeting;
2 - dominant influence at Ordinary Shareholders' Meeting;
3 - agreements with other shareholders;
4 - company subject to significant influence;
5 - unitary management as defined in Art. 26.1 of "Legislative Decree 87/1992";
6 - unitary management as defined in Art. 26.2 of "Legislative Decree 87/1992";
7 - joint control;
8 - other relationship.

(b) Where different from the % portion, the availability of the votes in the Ordinary Shareholders' Meeting is indicated, distinguishing between the effective (*) and potential (**) voting rights, where applicable.

(c) Intesa Sanpaolo S.p.A. also holds 100% of the Participating Financial Instruments issued by Apside S.p.A.

(d) These are vehicles used for securitisation transactions within the Group. The put&call options are exercisable in the half year following the closing date of the securitisation.

(e) The different value between the actual share and the number of votes in the Shareholders' Meeting is linked to the presence of various categories of shares (A and B). Only category A shares (also held by Intesa Sanpaolo) grant rights to vote in the Shareholders' Meeting.

(f) Intesa Sanpaolo S.p.A. also holds 100% of the Participating Financial Instruments issued by Destination Gusto S.r.l.

(g) The different value between the actual share and the number of votes in the Shareholders' Meeting is linked to the presence of various categories of shares. The category of shares held by managers does not attribute the right to vote in the Shareholders' Meeting, but only in the Special Meeting (pursuant to Art. 2766 of the Italian Civil Code).

(h) The interest is included under Companies subject to significant influence because, even though it represents a more complex situation than that typical of an ordinary non-controlling interest, the absence has been confirmed of the conditions for exercise of control envisaged by IFRS 10 on the basis of the corporate governance provisions in the articles of association/regulations.

(i) EIB Funds: the economic effects of the investments in equity and loans underlying the fund's operations will be borne in full by the EIB.

(j) The different value between the actual share and the number of votes in the Shareholders' Meeting is linked to the presence of a category of shares (B) lacking the right to vote in the Shareholders' Meeting.

The illustration of the criteria and the methods for the definition of the scope of consolidation and the reasons which determine that a company is subject to joint control or significant influence is contained in Part A – Accounting policies, to which reference should be made.

7.2 Individually material investments in associates and companies subject to joint control: book value, fair value and dividends received

(millions of euro)

Companies		Book value	Fair value	Dividends received (a)
A. COMPANIES SUBJECT TO JOINT CONTROL				
		-	-	-
B. COMPANIES SUBJECT TO SIGNIFICANT INFLUENCE				
1	Penghua Fund Management Co. Ltd.	357	-	22
2	EFESTO	237	-	-
3	BACK2BONIS	224	-	-
4	RSCT FUND - Comparto Crediti	224	-	-
5	IDEA CCR (CORPORATE CREDIT RECOVERY) II COMPARTO CREDITI	201	-	-
6	FONDO UTP ITALIA COMPARTO CREDITI	185	-	-
7	Intrum Italy S.p.A.	179	-	20
8	RETAIL & LEISURE FUND	122	-	-
9	Equiter S.p.A.	105	-	6
TOTAL		**1,834**	**-**	**48**

a) Dividends are paid by Group companies accounted for using the equity method, and, though they are not included in caption "250 Profits (Losses) on equity investments", as they represent a decrease in caption "70 Investments in associates and companies subject to joint control" under Assets, they are still presented in that table, as envisaged by the reference regulations.

7.3 Individually material investments in associates and companies subject to joint control: financial information

(millions of euro)

Companies	Cash and cash equivalents	Financial assets	Non-financial assets	Financial liabilities	Non-financial liabilities	Total revenues	Interest margin	Adjustments to/write-backs on property, equipment and intangible assets	Income (Loss) before tax from continuing operations	Income (Loss) after tax from continuing operations	Income (Loss) after tax from discontinued operations	Net income (loss) (1)	Other comprehensive income (net of tax) (2)	Consolidated comprehensive income (3) = (1) + (2)
A. COMPANIES SUBJECT TO JOINT CONTROL														
	X	-	-	-	-	-	X	X	-	-	-	-	-	-
B. COMPANIES SUBJECT TO SIGNIFICANT INFLUENCE														
Penghua Fund Management Co. Ltd.	X	941	190	276	236	490	X	X	129	98	-	98	-	98
EFESTO	X	691	-	-	4	-	X	X	-64	-64	-	-64	-	-64
BACK2BONIS	X	719	12	14	1	2	X	X	-227	-227	-	-227	-	-227
RSCT FUND - Comparto Crediti	X	265	74	-	12	-	X	X	-3	-3	-	-3	-	-3
IDEA CCR (CORPORATE CREDIT RECOVERY) II COMPARTO CREDITI	X	768	15	24	5	30	X	X	-44	-44	-	-44	-	-44
FONDO UTP ITALIA COMPARTO CREDITI	X	423	-	-	1	2	X	X	-27	-27	-	-27	-	-27
Intrum Italy S.p.A.	X	159	18	8	69	16	X	X	71	53	-	53	-	53
RETAIL & LEISURE FUND	X	283	-	-	2	-	X	X	-18	-18	-	-18	-	-18
Equiter S.p.A.	X	234	88	3	4	36	X	X	27	21	-	21	-	21

The figures for these companies are updated to December 2025 for Intrum Italy S.p.A. and Penghua Fund Management Co. Ltd; to 30 September 2025 for Idea CCR II Loans Sub-Fund and Efesto; to 30 June 2025 for Back2Bonis, RSCT Fund, UTP Italia Fund - Loans Sub-Fund and Retail & Leisure Fund based on when the asset management company makes the figures available; and to 31 December 2024 for Equiter S.p.A.

(millions of euro)

Companies	Total Shareholders' Equity	Proportionate equity	Goodwill	Other changes	Consolidated book value
A. COMPANIES SUBJECT TO JOINT CONTROL					
	-	-	-	-	-
B. COMPANIES SUBJECT TO SIGNIFICANT INFLUENCE					
Penghua Fund Management Co. Ltd.	619	303	54	-	357
EFESTO	687	237	-	-	237
BACK2BONIS	528	224	-	-	224
RSCT FUND - Comparto Crediti	327	224	-	-	224
IDEA CCR (CORPORATE CREDIT RECOVERY) II COMPARTO CREDITI	754	201	-	-	201
FONDO UTP ITALIA COMPARTO CREDITI	441	185	-	-	185
Intrum Italy S.p.A.	100	49	130	-	179
RETAIL & LEISURE FUND	281	122	-	-	122
Equiter S.p.A.	315	98	7	-	105
	4,052	**1,643**	**191**	**-**	**1,834**

For investment funds classified under interests subject to significant influence, the “Comprehensive equity” is determined through a process of periodic valuation, and takes account of the changes in the NAV, adjusted, if necessary, according to the valuation policies applied by the Group.

7.4 Individually immaterial investments in associates and companies subject to joint control: financial information

(millions of euro)

Companies	Book value of investments in associates and companies subject to joint control	Total assets	Total liabilities	Total revenues	Income (loss) after tax from continuing operations	Income (Loss) after tax from discontinued operations	Net income (loss) (1)	Other comprehensive income (net of tax) (2)	Consolidated comprehensive income (3) = (1) + (2)
COMPANIES SUBJECT TO JOINT CONTROL	**108**	**1,379**	**1,308**	**911**	**-57**	**-**	**-57**	**1**	**-56**
COMPANIES SUBJECT TO SIGNIFICANT INFLUENCE (a)	**793**	**6,548**	**4,091**	**521**	**-256**	**-**	**-256**	**10**	**-246**

(a) This caption includes some subsidiaries excluded from the scope of consolidation as of modest amount.

7.5 Investments in associates and companies subject to joint control: annual changes

(millions of euro)

	31.12.2025	31.12.2024
A. Initial amount	**3,036**	**2,501**
B. Increases	**430**	**1,055**
B.1 purchases	185	625
of which business combinations	-	-
B.2 recoveries	-	-
B.3 revaluations	116	136
B.4 other changes	129	294
C. Decreases	**-731**	**-520**
C.1 sales	-5	-
C.2 impairment losses	-24	-55
C.3 write-downs	-382	-164
C.4 other changes	-320	-301
D. Final amount	**2,735**	**3,036**
E. Total revaluations	**582**	**468**
F. Total impairment losses	**-908**	**-507**

The sub-caption B.1 Purchases mainly comprises:
– the purchase referring to the contribution of loan portfolios of Fondo Eleuteria for 88 million euro;
– the share capital increase of Grenke Italia S.p.A. for the contribution of Intesa Sanpaolo Rent Foryou for 83 million euro.

The sub-caption B.3 revaluations mainly includes the profits of companies carried at equity (including Penghua Fund Management Co. Ltd. for 48 million euro and Intrum Italy S.p.A. for 26 million euro).

The sub-caption B.4 Increases - Other changes mainly comprises the following transactions:
– call ups of the funds Neva II (for 52 million euro), Neva II Italia (for 12 million euro) and Neva First-FCC (for 10 million euro);
– the capital increase of Mooney Group S.p.A. for 25 million euro;
– the effect of the sale of the going concern to Eurizon Capitale SLJ by Fideuram Asset Management UK Limited for 11 million euro.

The sub-caption C.2 Impairment losses mainly includes the impairment of the following equity investments:
– Intrum Italy S.p.A. for 17 million euro;
– Tinexta Innovation Hub S.p.A. for 4 million euro.

The sub-caption C.3 Write-downs mainly refers to the companies indicated below, and takes account of the information contributed by the asset management companies for the periodic valuations according to Group logics:
– Back2Bonis for 97 million euro;
– Lendlease MSG Heartbeat for 87 million euro;
– UTP Restructuring Corporate for 72 million euro.

The sub-caption C.4 Decreases - other changes mainly comprises:
– the payment of dividends by Penghua Fund Management Co. Ltd totalling 22 million euro and Intrum S.p.A. for 20 million euro;
– the reimbursement of the funds: Efesto for 74 million euro, FI.NAV Sub-Fund A - Loans for 49 million euro, UTP Italia Fund - Loans Sub-Fund for 34 million euro, and Back2Bonis for 23 million euro;

7.6 Significant evaluations and assumptions to establish the existence of joint control or significant influence

Entities are considered to be companies subject to joint control if control is contractually shared between the Group and one or more other parties, or where the decisions about the relevant activities require the unanimous consent from all parties sharing control.

Companies are considered subject to significant influence (associates) when the Group holds 20% or more of the voting rights (including “potential” voting rights) or if it – with a lower equity stake – has the power of participating in the determination of financial and management policies of the company based on specific juridical relations, such as the participation in voting syndicates. Certain companies in which the Group holds a stake exceeding 20% are not considered subject to significant influence since it solely has economic rights on a portion of the returns generated by the investment, but does not have access to management policies and may exercise governance rights limited to the safeguarding of its economic interests.

7.7 Commitments referred to investments in companies subject to joint control

As at 31 December 2025, there were commitments on capital referring to Mir Capital S.C.A. Sicar for a total of 35.5 million euro; to Mooney Group S.p.A. for a total of 10 million euro; and to Apside S.p.A. for a total of 10.6 million euro, relating to the subscription of equity instruments issued by the company.

7.8 Commitments referred to investments in companies subject to significant influence

As at 31 December, the following commitments were outstanding: the commitment made by Intesa Sanpaolo Innovation Center S.p.A. and Neva SGR S.p.A. to pay the amounts for the call ups of the Neva First FCC Fund for a residual 11 million euro; a commitment to pay the amounts relating to any call ups made by the ECRA Private Debt Fund for 8.2 million euro; a commitment to pay the amounts relating to any call ups made by the Lendlease MSG Heartbeat Fund for 7.9 million euro; a commitment to pay the amounts relating to any call ups made by the Basket Eque Fund for 4.9 million euro; a commitment to subscribe Equity Instruments issued by the associate Destination Gusto S.r.l. for a maximum of 1.6 million euro; and lastly a residual commitment on Leonardo Technology S.r.l. of a modest amount.

7.9 Significant restrictions

There is nothing to report in terms of significant restrictions.

7.10 Other information

For most of the companies subject to joint control or significant influence, the timing regarding the availability of the financial statements at the end of the year is not compatible with the terms set for the closure of Intesa Sanpaolo's consolidated financial statements; on this point, for the application of the equity method, reference is made to the last accounting reports available that, in most cases, include the interim statement of the first 9 months for the listed associates or the last financial statements or half-yearly report available for the other associates. In any case, when the accounts of the associate or joint venture used in the application of the equity method refer to a date that is different from that of Intesa Sanpaolo's financial statements, adjustments are made to take into account the effects of operations or significant events which took place between that date and the reporting date of Intesa Sanpaolo's financial statements.

Impairment tests of investments in associates and companies subject to joint control

As required under IAS/IFRS, equity investments are subjected to impairment testing to assess whether there is objective evidence to consider that the carrying value of the assets is not fully recoverable. With reference to investments in associates and companies subject to joint control, the process of detection of any impairment involves verification of the presence of impairment indicators and the determination of any write-down. The impairment indicators are essentially divided into two categories: qualitative indicators, such as the generation of negative economic results or in any case a significant variance with respect to the targets budgeted or established in the multi-year plans disclosed to the market, the announcement/start-up of insolvency proceedings or restructuring plans, and the downgrading by more than two classes of the rating; quantitative indicators, represented by a reduction in fair value of over 30% below the carrying value or for a period of over 24 months, by market capitalisation lower than the company's net book value, in the case of securities listed on active markets or by a carrying value of the investment in the Parent Company's financial statements higher than the carrying value in the consolidated financial statements of the investee's net assets and goodwill or by distribution by the latter of a dividend that is higher than its total income. If impairment indicators are detected, the recoverable amount, represented by the higher of the fair value less costs to sell and the value in use, is calculated and if it proves lower than the carrying value, impairment is recognised. If, subsequently, the recoverable amount is higher than the new carrying amount and the reasons for the impairment no longer apply following an event subsequent to the recognition of the impairment, recoveries are recognised, through profit or loss, up to the amount of the adjustment previously recognised.

In particular, where impairment indicators were recorded with respect to investments in associates or companies subject to joint control, analyses were carried out based, as a priority, on market methodologies (direct or comparable transactions and market multiples) or alternatively on "fundamental" analyses mainly based on an estimate of the expected discounted cash flows or on the adjusted net asset value (ANAV).

The results of the analyses conducted showed the need to make adjustments totalling 24 million euro, of which 17 million euro referring to the equity investment in Intrum Italy S.p.A. and 7 million euro relating to other, minor investments.

SECTION 8 – INSURANCE ASSETS – CAPTION 80

From 1 January 2023, insurance assets and liabilities have been recognised in the financial statements in accordance with IFRS 17. The figures as at 31 December 2025 are compared with the figures as at 31 December 2024.

This section includes the tables in line with the indications of IVASS, based on the updates to Regulation 7 of 13 July 2007, directly applicable also pursuant to Circular 262/2005, for the disclosure required by IFRS 17 for insurance contracts pertaining to consolidated insurance companies.

Specifically, details are provided of the asset caption 80 b) Insurance assets - reinsurance contracts held that are assets, 192 million euro as at 31 December 2025 (249 million euro as at 31 December 2024), and the liability caption 110 b) Insurance liabilities - reinsurance contracts held that are liabilities, 37 million euro as at 31 December 2025 (68 million euro as at 31 December 2024). The balance of reinsurance contracts held was a positive 155 million euro as at 31 December 2025 (181 million euro as at 31 December 2024).

Reconciliations are presented that show how the net carrying amounts of reinsurance contracts held changed during the period because of cash flows and income and expenses recognised in the statement(s) of financial performance. Specifically, the tables show:
- the changes in the carrying amount of the reinsurance contracts held broken down by basis of aggregation[360] and by measurement model (General Measurement Model - GMM and Premium Allocation Approach - PAA);
- the changes in the carrying amount of the reinsurance contracts held per measurement component (Present Value of Cash Flows, Adjustment for Non-Financial Risks and Contractual Service Margin), broken down by basis of aggregation;
- the changes in contractual service margin of the reinsurance contracts held allocated according to contracts outstanding at the time of transition to IFRS 17 broken down by basis of aggregation;
- measurement components of the reinsurance contracts held recognised during the year broken down by basis of aggregation;
- contractual service margin broken down by expected timing of recognition in the income statement.

For the methodological choices adopted by the Group, see Part A - Accounting Policies.

Below is a summary table of the changes reported in the section below, with the related reconciliation with the financial statement captions.

(millions of euro)

	31.12.2025	31.12.2024
80. INSURANCE ASSETS		
b) Reinsurance contracts held that are assets	**192**	**249**
of which 8.1 Changes in the carrying amount of the reinsurance contracts held – GMM – assets for remaining coverage and for incurred claims – Life Segment	*35*	*43*
of which 8.1 Changes in the carrying amount of the reinsurance contracts held – GMM – assets for remaining coverage and for incurred claims – Non-Life Segment	*11*	*12*
of which 8.2 Changes in the carrying amount of the reinsurance contracts held – PAA – assets for remaining coverage and for incurred claims – Non-Life Segment	*146*	*194*
110. INSURANCE LIABILITIES		
b) Reinsurance contracts held that are liabilities	**37**	**68**
of which 8.1 Changes in the carrying amount of the reinsurance contracts held – GMM – assets for remaining coverage and for incurred claims – Life Segment	*4*	*7*
of which 8.1 Changes in the carrying amount of the reinsurance contracts held – GMM – assets for remaining coverage and for incurred claims – Non-Life Segment	*1*	*3*
of which 8.2 Changes in the carrying amount of the reinsurance contracts held – PAA – assets for remaining coverage and for incurred claims – Non-Life Segment	*32*	*58*

[360] The bases of aggregation for the reinsurance contracts held consist of the Life Segment and the Non-Life Segment.

8.1 Changes in the carrying amount of the reinsurance contracts held – General Measurement Model (GMM) – assets for remaining coverage and for incurred claims – *Life Segment*

(millions of euro)

Captions/Breakdown of carrying amount	31.12.2025				31.12.2024			
	Asset for remaining coverage		Asset for incurred claims	Total	Asset for remaining coverage		Asset for incurred claims	Total
	Net of loss-recovery component	Loss-recovery component			Net of loss-recovery component	Loss-recovery component		
A. Opening carrying amount								
1. Reinsurance contracts held that are assets	32	-	11	43	45	-	12	57
2. Reinsurance contracts held that are liabilities	-7	-	-	-7	-14	-	-	-14
3. Net carrying amount as at 1 January	**25**	**-**	**11**	**36**	**31**	**-**	**12**	**43**
B. Economic effect of reinsurance contracts held								
1. Reinsurance expenses	-10	-	-	-10	-10	-	-	-10
2. Claims and other expenses recovered	-	-	3	3	-	-	4	4
3. Changes in the asset for incurred claims	-	-	-	-	-	-	-1	-1
4. Reinsurance contracts held which cover onerous contracts	-	-	-	-	-	-	-	-
4.1 Revenue from the recognition of onerous underlying insurance contracts	-	-	-	-	-	-	-	-
4.2 Reversals of the loss-recovery component other than changes in cash flows from reinsurance contracts held	-	-	-	-	-	-	-	-
4.3 Changes in cash flows from reinsurance contracts held arising from onerous underlying insurance contracts	-	-	-	-	-	-	-	-
5. Effects of the change in the risk of non-performance by reinsurers	-	-	-	-	-	-	-	-
6. Total	**-10**	**-**	**3**	**-7**	**-10**	**-**	**3**	**-7**
C. Insurance service result (Total B)	**-10**	**-**	**3**	**-7**	**-10**	**-**	**3**	**-7**
D. Net financial income/expenses								
1. From reinsurance contracts held	1	-	-	1	1	-	-	1
1.1. Recognised in profit or loss	-	-	-	-	-	-	-	-
1.2. Recognised in other comprehensive income	1	-	-	1	1	-	-	1
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-
3. Total	**1**	**-**	**-**	**1**	**1**	**-**	**-**	**1**
E. Investment components	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
F. Total amount recognised in profit or loss and in other comprehensive income (C+D+E)	**-9**	**-**	**3**	**-6**	**-9**	**-**	**3**	**-6**
G. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
H. Cash movements								
1. Premiums paid net of amounts not related to claims recovered from reinsurers	5	-	-	5	3	-	-	3
2. Amount of claims recovered from reinsurers	-	-	-4	-4	-	-	-4	-4
3. Other movements	-	-	-	-	-	-	-	-
4. Total	**5**	**-**	**-4**	**1**	**3**	**-**	**-4**	**-1**
I. Net carrying amount as at 31 December (A.3+F+G+H.4)	**21**	**-**	**10**	**31**	**25**	**-**	**11**	**36**
L. Closing carrying amount								
1. Reinsurance contracts held that are assets	25	-	10	35	32	-	11	43
2. Reinsurance contracts held that are liabilities	-4	-	-	-4	-7	-	-	-7
3. Net carrying amount as at 31 December	**21**	**-**	**10**	**31**	**25**	**-**	**11**	**36**

8.1 Changes in the carrying amount of the reinsurance contracts held – General Measurement Model (GMM) – assets for remaining coverage and for incurred claims – *Non-Life Segment*

(millions of euro)

Captions/Breakdown of carrying amount	31.12.2025				31.12.2024			
	Asset for remaining coverage		Asset for incurred claims	Total	Asset for remaining coverage		Asset for incurred claims	Total
	Net of loss-recovery component	Loss-recovery component			Net of loss-recovery component	Loss-recovery component		
A. Opening carrying amount								
1. Reinsurance contracts held that are assets	6	-	6	12	-	-	6	6
2. Reinsurance contracts held that are liabilities	-3	-	-	-3	-3	-	-	-3
3. Net carrying amount as at 1 January	**3**	**-**	**6**	**9**	**-3**	**-**	**6**	**3**
B. Economic effect of reinsurance contracts held								
1. Reinsurance expenses	-7	-	-	-7	-5	-	-	-5
2. Claims and other expenses recovered	-	-	6	6	-	-	4	4
3. Changes in the asset for incurred claims	-	-	-	-	-	-	-	-
4. Reinsurance contracts held which cover onerous contracts	-	-	-	-	-	-	-	-
4.1 Revenue from the recognition of onerous underlying insurance contracts	-	-	-	-	-	-	-	-
4.2 Reversals of the loss-recovery component other than changes in cash flows from reinsurance contracts held	-	-	-	-	-	-	-	-
4.3 Changes in cash flows from reinsurance contracts held arising from onerous underlying insurance contracts	-	-	-	-	-	-	-	-
5. Effects of the change in the risk of non-performance by reinsurers	-	-	-	-	-	-	-	-
6. Total	**-7**	**-**	**6**	**-1**	**-5**	**-**	**4**	**-1**
C. Insurance service result (Total B)	**-7**	**-**	**6**	**-1**	**-5**	**-**	**4**	**-1**
D. Net financial income/expenses								
1. From reinsurance contracts held	-	-	-	-	-	-	-	-
1.1. Recognised in profit or loss	-	-	-	-	-	-	-	-
1.2. Recognised in other comprehensive income	-	-	-	-	-	-	-	-
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-
3. Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
E. Investment components	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
F. Total amount recognised in profit or loss and in other comprehensive income (C+D+E)	**-7**	**-**	**6**	**-1**	**-5**	**-**	**4**	**-1**
G. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
H. Cash movements								
1. Premiums paid net of amounts not related to claims recovered from reinsurers	9	-	-	9	11	-	-	11
2. Amount of claims recovered from reinsurers	-	-	-7	-7	-	-	-4	-4
3. Other movements	-	-	-	-	-	-	-	-
4. Total	**9**	**-**	**-7**	**2**	**11**	**-**	**-4**	**7**
I. Net carrying amount as at 31 December (A.3+F+G+H.4)	**5**	**-**	**5**	**10**	**3**	**-**	**6**	**9**
L. Closing carrying amount								
1. Reinsurance contracts held that are assets	6	-	5	11	6	-	6	12
2. Reinsurance contracts held that are liabilities	-1	-	-	-1	-3	-	-	-3
3. Net carrying amount as at 31 December	**5**	**-**	**5**	**10**	**3**	**-**	**6**	**9**

8.2 Changes in the carrying amount of the reinsurance contracts held – Premium Allocation Approach (PAA) – assets for remaining coverage and for incurred claims – *Non-Life Segment*

(millions of euro)

Captions/Breakdown of carrying amount	31.12.2025					31.12.2024				
	Asset for remaining coverage		Asset for incurred claims		Total	Asset for remaining coverage		Asset for incurred claims		Total
	Net of loss-recovery component	Loss-recovery component	Present value of cash flows	Adjustment for non-financial risks		Net of loss-recovery component	Loss recovery component	Present value of cash flows	Adjustment for non-financial risks	
A. Opening carrying amount										
1. Reinsurance contracts held that are assets	121	-	71	2	194	197	-	136	5	338
2. Reinsurance contracts held that are liabilities	-58	-	-	-	-58	-158	-	-	-	-158
3. Net carrying amount as at 1 January	**63**	**-**	**71**	**2**	**136**	**39**	**-**	**136**	**5**	**180**
B. Economic effect of reinsurance contracts held										
1. Reinsurance expenses	-128	-	-	-	-128	-154	-	-	-	-154
2. Claims and other expenses recovered	-	-	63	-	63	-	-	160	-	160
3. Changes in the asset for incurred claims	-	-	-2	-	-2	-	-	-65	-3	-68
4. Reinsurance contracts held which cover onerous contracts	-	-	-	-	-	-	-	-	-	-
4.1 Revenue from the recognition of onerous underlying insurance contracts	-	-	-	-	-	-	-	-	-	-
4.2 Reversals of the loss-recovery component other than changes in cash flows from reinsurance contracts held	-	-	-	-	-	-	-	-	-	-
4.3 Changes in cash flows from reinsurance contracts held arising from onerous underlying insurance contracts	-	-	-	-	-	-	-	-	-	-
5. Effects of changes in the risk of non-performance by reinsurers	-	-	-	-	-	-	-	-	-	-
6. Total	**-128**	**-**	**61**	**-**	**-67**	**-154**	**-**	**95**	**-3**	**-62**
C. Insurance service result (Total B)	**-128**	**-**	**61**	**-**	**-67**	**-154**	**-**	**95**	**-3**	**-62**
D. Financial income/expenses										
1. From reinsurance contracts held	1	-	-	-	1	-2	-	-	-	-2
1.1. Recognised in profit or loss	1	-	-	-	1	1	-	-	-	1
1.2. Recognised in other comprehensive income	-	-	-	-	-	-3	-	-	-	-3
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-	-	-
3. Total	**1**	**-**	**-**	**-**	**1**	**-2**	**-**	**-**	**-**	**-2**
E. Investment components	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
F. Total amount recognised in profit or loss and in other comprehensive income (C+D+E)	**-127**	**-**	**61**	**-**	**-66**	**-156**	**-**	**95**	**-3**	**-64**
G. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
H. Cash movements										
1. Premiums paid net of amounts not related to claims recovered from reinsurers	106	-	-	-	106	180	-	-	-	180
2. Amounts recovered from reinsurers	-	-	-62	-	-62	-	-	-160	-	-160
3. Other movements	-	-	-	-	-	-	-	-	-	-
4. Total	**106**	**-**	**-62**	**-**	**44**	**180**	**-**	**-160**	**-**	**20**
I. Net carrying amount as at 31 December (A.3+F+G+H.4)	**42**	**-**	**70**	**2**	**114**	**63**	**-**	**71**	**2**	**136**
L. Closing carrying amount										
1. Reinsurance contracts held that are assets	74	-	70	2	146	121	-	71	2	194
2. Reinsurance contracts held that are liabilities	-32	-	-	-	-32	-58	-	-	-	-58
3. Net carrying amount as at 31 December	**42**	**-**	**70**	**2**	**114**	**63**	**-**	**71**	**2**	**136**

In accordance with the requirements of paragraph 97 of IFRS 17, the Intesa Sanpaolo Group has used the Premium Allocation Approach (PAA) for types of insurance contracts that have a duration of 12 months or less and for which the measurement of the liability using the PAA generates results in line with those obtained from the application of the General Measurement Model (GMM). In addition, no adjustment to reflect the time value of money and financial risk has been considered in the measurement of the liability, because the financing component is considered to be not significant. For the recognition of the acquisition costs, it was decided not to use the option provided for annual contracts in paragraph 59(a) of IFRS 17. These costs have been recognised on an accrual basis in accordance with paragraph B.125 of the Standard.

8.3 Changes in the carrying amount of reinsurance contracts held broken down by measurement component – *Life Segment (1/2)*

(millions of euro)

Captions/Measurement components	31.12.2025				31.12.2024			
	Measurement components of the carrying amount of reinsurance contracts held				Measurement components of the carrying amount of reinsurance contracts held			
	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total
A. Opening carrying amount								
1. Reinsurance contracts held that are assets	35	1	7	43	45	4	8	57
2. Reinsurance contracts held that are liabilities	-7	-	-	-7	-14	-	-	-14
3. Net carrying amount as at 1 January	**28**	**1**	**7**	**36**	**31**	**4**	**8**	**43**
B. Changes that relate to current service								
1. Contractual service margin recognised in profit or loss	-	-	-2	-2	-	-	-4	-4
2. Change in risk adjustment for non-financial risk for risk expired	-	-	-	-	-	-1	-	-1
3. Experience adjustments	-5	-	-	-5	-1	-	-	-1
4. Total	**-5**	**-**	**-2**	**-7**	**-1**	**-1**	**-4**	**-6**
C. Changes that relate to future service								
1. Changes in estimates that adjust the contractual service margin	-5	-	5	-	5	-2	-3	-
2. Effects of contracts initially recognised in the period	-	-	-	-	-6	-	6	-
3. Adjustment of the contractual service margin connected to recoveries related to the initial recognition of onerous underlying insurance contracts	-	-	-	-	-	-	-	-
4. Reversals of the loss-recovery component other than changes in cash flows from reinsurance contracts held	-	-	-	-	-	-	-	-
5. Changes in cash flows from reinsurance contracts held arising from onerous underlying insurance contracts	-	-	-	-	-	-	-	-
6. Total	**-5**	**-**	**5**	**-**	**-1**	**-2**	**3**	**-**
D. Changes that relate to past service	**-**	**-**	**-**	**-**	**-1**	**-**	**-**	**-1**
1. adjustments to the asset for incurred claims	-	-	-	-	-1	-	-	-1
E. Effects of changes in the risk of non-performance by reinsurers	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
F. Insurance service result (B+C+D+E)	**-10**	**-**	**3**	**-7**	**-3**	**-3**	**-1**	**-7**
G. Financial income/expenses								
1. From reinsurance contracts held	1	-	-	1	1	-	-	1
1.1 Recognised in profit or loss	-	-	-	-	-	-	-	-
1.2. Recognised in other comprehensive income	1	-	-	1	1	-	-	1
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-
3. Total	1	-	-	1	1	-	-	1
H. Total amount recognised in profit or loss and in other comprehensive income (F+ G)	**-9**	**-**	**3**	**-6**	**-2**	**-3**	**-1**	**-6**
I. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

8.3 Changes in the carrying amount of reinsurance contracts held broken down by measurement component – *Life Segment (2/2)*

(millions of euros)

Captions/Measurement components	31.12.2025				31.12.2024			
	Measurement components of the carrying amount of reinsurance contracts held				Measurement components of the carrying amount of reinsurance contracts held			
	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total
L. Cash movements								
1. Premiums paid net of amounts not related to claims recovered from reinsurers	5	-	-	5	3	-	-	3
2. Amounts recovered from reinsurers	-4	-	-	-4	-4	-	-	-4
3. Other movements	-	-	-	-	-	-	-	-
4. Total	**1**	**-**	**-**	**1**	**-1**	**-**	**-**	**-1**
M. Net carrying amount as at 31 December (A.3+H+I+L.4)	**20**	**1**	**10**	**31**	**28**	**1**	**7**	**36**
N. Closing carrying amount								
1. Reinsurance contracts held that are assets	24	1	10	35	35	1	7	43
2. Reinsurance contracts held that are liabilities	-4	-	-	-4	-7	-	-	-7
3. Net carrying amount as at 31 December	**20**	**1**	**10**	**31**	**28**	**1**	**7**	**36**

8.3 Changes in the carrying amount of reinsurance contracts held broken down by measurement component – *Non-Life Segment (1/2)*

(millions of euro)

Captions/Measurement components	31.12.2025				31.12.2024			
	Measurement components of the carrying amount of reinsurance contracts held				Measurement components of the carrying amount of reinsurance contracts held			
	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total
A. Opening carrying amount								
1. Reinsurance contracts held that are assets	2	1	9	12	-5	1	10	6
2. Reinsurance contracts held that are liabilities	-3	-	-	-3	-3	-	-	-3
3. Net carrying amount as at 1 January	**-1**	**1**	**9**	**9**	**-8**	**1**	**10**	**3**
B. Changes that relate to current service								
1. Contractual service margin recognised in profit or loss	-	-	-2	-2	-	-	-2	-2
2. Change in risk adjustment for non-financial risk for risk expired	-	-1	-	-1	-	-	-	-
3. Experience adjustments	2	-	-	2	1	-	-	1
4. Total	**2**	**-1**	**-2**	**-1**	**1**	**-**	**-2**	**-1**
C. Changes that relate to future service								
1. Changes in estimates that adjust the contractual service margin	1	-	-1	-	1	-	-1	-
2. Effects of contracts initially recognised in the period	-3	1	2	-	-1	-	1	-
3. Adjustment of the contractual service margin connected to recoveries related to the initial recognition of onerous underlying insurance contracts	-	-	-	-	-	-	-	-
4. Reversals of the loss-recovery component other than changes in cash flows from reinsurance contracts held	-	-	-	-	-	-	-	-
5. Changes in cash flows from reinsurance contracts held arising from onerous underlying insurance contracts	-	-	-	-	-	-	-	-
6. Total	**-2**	**1**	**1**	**-**	**-**	**-**	**-**	**-**
D. Changes that relate to past service	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. adjustments to the asset for incurred claims	-	-	-	-	-	-	-	-
E. Effects of changes in the risk of non-performance by reinsurers	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
F. Insurance service result (B+C+D+E)	**-**	**-**	**-1**	**-1**	**1**	**-**	**-2**	**-1**
G. Financial income/expenses								
1. From reinsurance contracts held	-	-	-	-	-1	-	1	-
1.1 Recognised in profit or loss	-	-	-	-	-1	-	1	-
1.2. Recognised in other comprehensive income	-	-	-	-	-	-	-	-
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-
3. Total	-	-	-	-	-1	-	1	-
H. Total amount recognised in profit or loss and in other comprehensive income (F+ G)	**-**	**-**	**-1**	**-1**	**-**	**-**	**-1**	**-1**
I. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

8.3 Changes in the carrying amount of reinsurance contracts held broken down by measurement component – *Non-Life Segment (2/2)*

(millions of euros)

Captions/Measurement components	31.12.2025				31.12.2024			
	Measurement components of the carrying amount of reinsurance contracts held				Measurement components of the carrying amount of reinsurance contracts held			
	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total
L. Cash movements								
1. Premiums paid net of amounts not related to claims recovered from reinsurers	9	-	-	9	11	-	-	11
2. Amounts recovered from reinsurers	-7	-	-	-7	-4	-	-	-4
3. Other movements	-	-	-	-	-	-	-	-
4. Total	**2**	**-**	**-**	**2**	**7**	**-**	**-**	**7**
M. Net carrying amount as at 31 December (A.3+H+I+L.4)	**1**	**1**	**8**	**10**	**-1**	**1**	**9**	**9**
N. Closing carrying amount								
1. Reinsurance contracts held that are assets	2	1	8	11	2	1	9	12
2. Reinsurance contracts held that are liabilities	-1	-	-	-1	-3	-	-	-3
3. Net carrying amount as at 31 December	**1**	**1**	**8**	**10**	**-1**	**1**	**9**	**9**

8.4 Changes in the contractual service margin of the reinsurance contracts held broken down by contracts outstanding at the time of transition to IFRS 17 – *Life Segment*

(millions of euro)

	31.12.2025					31.12.2024				
	New contracts and contracts measured using the full retrospective approach at the transition date	Contracts measured using the modified retrospective approach at the transition date	Contracts measured at fair value at the transition date	Contracts subject to carve-out	Total	New contracts and contracts measured using the full retrospective approach at the transition date	Contracts measured using the modified retrospective approach at the transition date	Contracts measured at fair value at the transition date	Contracts subject to carve-out	Total
Contractual service margin - Opening balance	**4**	**-**	**3**	**-**	**7**	**4**	**-**	**4**	**-**	**8**
Changes that relate to current service	**1**	**-**	**-3**	**-**	**-2**	**-3**	**-**	**-1**	**-**	**-4**
- Contractual service margin recognised in profit or loss to reflect services received	1	-	-3	-	-2	-3	-	-1	-	-4
Changes that relate to future service	**-3**	**-**	**8**	**-**	**5**	**3**	**-**	**-**	**-**	**3**
- Changes in estimates that adjust the contractual service margin	1	-	4	-	5	-3	-	-	-	-3
- Effects of contracts initially recognised in the reference year	-4	-	4	-	-	6	-	-	-	6
Net financial income/expenses										
1. From reinsurance contracts held	-	-	-	-	-	-	-	-	-	-
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-	-	-
3. Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other movements	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total changes recognised in profit or loss and in other comprehensive income	**-2**	**-**	**5**	**-**	**3**	**-**	**-**	**-1**	**-**	**-1**
Contractual service margin – Closing balance	**2**	**-**	**8**	**-**	**10**	**4**	**-**	**3**	**-**	**7**

8.4 Changes in the contractual service margin of the reinsurance contracts held broken down by contracts outstanding at the time of transition to IFRS 17 – *Non-Life Segment*

(millions of euro)

	31.12.2025					31.12.2024				
	New contracts and contracts measured using the full retrospective approach at the transition date	Contracts measured using the modified retrospective approach at the transition date	Contracts measured at fair value at the transition date	Contracts subject to carve-out	Total	New contracts and contracts measured using the full retrospective approach at the transition date	Contracts measured using the modified retrospective approach at the transition date	Contracts measured at fair value at the transition date	Contracts subject to carve-out	Total
Contractual service margin - Opening balance	**7**	**-**	**2**	**-**	**9**	**8**	**-**	**2**	**-**	**10**
Changes that relate to current service	**-2**	**-**	**-**	**-**	**-2**	**-2**	**-**	**-**	**-**	**-2**
- Contractual service margin recognised in profit or loss to reflect services received	-2	-	-	-	-2	-2	-	-	-	-2
Changes that relate to future service	**1**	**-**	**-**	**-**	**1**	**-**	**-**	**-**	**-**	**-**
- Changes in estimates that adjust the contractual service margin	-1	-	-	-	-1	-1	-	-	-	-1
- Effects of contracts initially recognised in the reference year	2	-	-	-	2	1	-	-	-	1
Net financial income/expenses										
1. From reinsurance contracts held	-	-	-	-	-	1	-	-	-	1
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-	-	-
3. Total	**-**	**-**	**-**	**-**	**-**	**1**	**-**	**-**	**-**	**1**
Other movements	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total changes recognised in profit or loss and in other comprehensive income	**-1**	**-**	**-**	**-**	**-1**	**-1**	**-**	**-**	**-**	**-1**
Contractual service margin – Closing balance	**6**	**-**	**2**	**-**	**8**	**7**	**-**	**2**	**-**	**9**

8.5 Measurement components of reinsurance contracts held recognised during the year – *Life Segment*

(millions of euro)

	31.12.2025			31.12.2024		
	Originated contracts			Originated contracts		
	Contracts without a loss recovery component	Contracts with a loss recovery component	Total	Contracts without a loss recovery component	Contracts with a loss recovery component	Total
A. Estimated present value of future cash outflows of which: Cash flows associated with the acquisition of insurance contracts	3	-	3	1	-	1
of which: Cash flows associated with the acquisition of insurance contracts	-	-	-	-	-	-
B. Estimate of the present value of future cash inflows	3	-	3	7	-	7
C. Estimate of the net present value of future cash flows (A-B)	**-**	**-**	**-**	**-6**	**-**	**-6**
D. Estimate adjustment for non-financial risks	-	-	-	-	-	-
E. Derecognition of cash flows already booked	-	-	-	-	-	-
F. Contractual service margin	-	-	-	6	-	6
G. Increase in reinsurance cessions recorded during the year due to the recognition of new contracts (C+D+E+F)	**-**	**-**	**-**	**-**	**-**	**-**

8.5 Measurement components of reinsurance contracts held recognised during the year – *Non-Life Segment*

(millions of euro)

	31.12.2025			31.12.2024		
	Originated contracts			Originated contracts		
	Contracts without a loss recovery component	Contracts with a loss recovery component	Total	Contracts without a loss recovery component	Contracts with a loss recovery component	Total
A. Estimated present value of future cash outflows of which: Cash flows associated with the acquisition of insurance contracts	5	-	5	2	-	2
of which: Cash flows associated with the acquisition of insurance contracts	*3*	-	*3*	-	-	-
B. Estimate of the present value of future cash inflows	8	-	8	3	-	3
C. Estimate of the net present value of future cash flows (A-B)	**-3**	**-**	**-3**	**-1**	**-**	**-1**
D. Estimate adjustment for non-financial risks	1	-	1	-	-	-
E. Derecognition of cash flows already booked	-	-	-	-	-	-
F. Contractual service margin	2	-	2	1	-	1
G. Increase in reinsurance cessions recorded during the year due to the recognition of new contracts (C+D+E+F)	**-**	**-**	**-**	**-**	**-**	**-**

8.6 Reinsurance contracts held – Contractual Service Margin (CSM) broken down by expected timing of recognition in the income statement

(millions of euro)

Basis of aggregation/Expected times	Up to 1 year	From over 1 year up to 2 years	From over 2 years up to 3 years	From over 3 years up to 4 years	From over 4 years up to 5 years	From over 5 years up to 10 years	From over 10 years up to 20 years	Over 20 years	Total
Life business	1	1	1	1	1	3	2	-	**10**
Non-life Business	2	1	1	1	1	2	-	-	**8**

The table above, as required by IFRS 17, shows the breakdown of the CSM by time bands.

Other information

There is no other information to be noted in addition to the above.

SECTION 9 – PROPERTY AND EQUIPMENT – CAPTION 90

(millions of euro)

Assets/Amounts	31.12.2025	31.12.2024
1. Property and equipment used in operations measured at cost	1,873	2,132
of which - Property and equipment used in operations - Rights of use acquired under leases	*1,020*	*1,229*
2. Investment property measured at cost	-	-
3. Property and equipment used in operations, revalued	5,728	5,837
of which - Property and equipment used in operations, revalued - Rights of use acquired under leases	-	-
4. Investment property measured at fair value	841	770
Of which - Investment property - Rights of use acquired under leases	-	-
5. Inventories of property and equipment governed by IAS 2	203	285
Total Property and equipment caption 90	**8,645**	**9,024**

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

(millions of euro)

	31.12.2025	31.12.2024
1. Property and equipment owned	**853**	**903**
a) land	-	-
b) buildings	-	-
c) furniture	221	218
d) electronic equipment	587	639
e) other	45	46
2. Rights of use acquired through the lease	**1,020**	**1,229**
a) land	1	1
b) buildings	896	990
c) furniture	-	35
d) electronic equipment	80	85
e) other	43	118
Total	**1,873**	**2,132**
of which: resulting from the enforcement of guarantees	*1*	*1*

9.2 Investment property: breakdown of assets measured at cost

There was no investment property measured at cost in the Intesa Sanpaolo Group.

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

(millions of euro)

	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Property and equipment owned	**-**	**-**	**5,728**	**-**	**-**	**5,837**
a) land	-	-	2,307	-	-	2,326
b) buildings	-	-	3,127	-	-	3,213
c) valuable art assets	-	-	294	-	-	298
d) electronic equipment	-	-	-	-	-	-
e) other	-	-	-	-	-	-
2. Rights of use acquired through the lease	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
c) furniture	-	-	-	-	-	-
d) electronic equipment	-	-	-	-	-	-
e) other	-	-	-	-	-	-
TOTAL	**-**	**-**	**5,728**	**-**	**-**	**5,837**
of which: resulting from the enforcement of guarantees	*-*	*-*	*3*	*-*	*-*	*3*

9.4 Investment property: breakdown of assets measured at fair value

(millions of euro)

	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Property and equipment owned	**-**	**-**	**841**	**-**	**-**	**770**
a) land	-	-	257	-	-	237
b) buildings	-	-	584	-	-	533
2. Rights of use acquired through the lease	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
TOTAL	**-**	**-**	**841**	**-**	**-**	**770**
of which: resulting from the enforcement of guarantees	*-*	*-*	*93*	*-*	*-*	*64*

With regard to the provisions of IAS 40, paragraph 75, letters c), g) and h), there was no information worth mentioning.

9.5 Inventories of property and equipment governed by IAS 2: breakdown

(millions of euro)

	31.12.2025	*Of which:*			31.12.2024
		Banking group	*Insurance companies*	*Other companies*	
1. Inventories of property and equipment resulting from the enforcement of guarantees	**117**	***117***	**-**	**-**	**168**
a) land	7	*7*	-	-	7
b) buildings	109	*109*	-	-	160
c) furniture	-	-	-	-	-
d) electronic equipment	-	-	-	-	-
e) other	1	*1*	-	-	1
2. Other inventories of property and equipment	**86**	***12***	**-**	***74***	**117**
Total	**203**	***129***	**-**	***74***	**285**
of which: measured at fair value less cost to sell	*3*	*3*	*-*	*-*	*3*

9.6 Property and equipment used in operations: annual changes

(millions of euro)

	Land	Buildings	Furniture	Electronic equipment	Valuable art assets	Other	Total
A. Gross initial carrying amount	**2,327**	**5,249**	**2,203**	**6,837**	**298**	**479**	**17,393**
A.1 Total net adjustments	-	-1,046	-1,950	-6,113	-	-315	-9,424
A.2 Net initial carrying amount	**2,327**	**4,203**	**253**	**724**	**298**	**164**	**7,969**
B. Increases	**21**	**342**	**42**	**183**	**-**	**37**	**625**
B.1 Purchases	2	164	41	182	-	24	413
of which business combinations	-	-	-	-	-	-	-
B.2 Capitalised improvement costs	-	67	-	1	-	-	68
B.3 Recoveries	-	-	-	-	-	-	-
B.4 Positive fair value differences recognised in:	13	13	-	-	-	-	26
a) shareholders' equity	*12*	*13*	-	-	-	-	*25*
b) income statement	*1*	-	-	-	-	-	*1*
B.5 Positive foreign exchange differences	-	-	-	-	-	-	-
B.6 Transfer from investment property	3	5	X	X	X	X	8
B.7 Other changes	3	93	1	-	-	13	110
C. Decreases	**-40**	**-522**	**-74**	**-240**	**-4**	**-113**	**-993**
C.1 Sales	-	-29	-31	-25	-1	-70	-156
of which business combinations	-	*-24*	*-31*	*-24*	-	*-69*	*-148*
C.2 Depreciation	-	-291	-38	-211	-	-35	-575
C.3 Impairment losses recognised in:	-	-	-1	-	-	-	-1
a) shareholders' equity	-	-	-	-	-	-	-
b) income statement	-	-	*-1*	-	-	-	*-1*
C.4 Negative fair value differences recognised in:	-10	-5	-	-	-3	-	-18
a) shareholders' equity	*-5*	*-3*	-	-	*-3*	-	*-11*
b) income statement	*-5*	*-2*	-	-	-	-	*-7*
C.5 Negative foreign exchange differences	-2	-2	-	-	-	-	-4
C.6 Transfer to:	-28	-53	-	-	-	-	-81
a) investment	*-27*	*-50*	*X*	*X*	*X*	*X*	*-77*
b) non-current assets held for sale and discontinued operations	*-1*	*-3*	-	-	-	-	*-4*
C.7 Other changes	-	-142	-4	-4	-	-8	-158
D. Net final carrying amount	**2,308**	**4,023**	**221**	**667**	**294**	**88**	**7,601**
D.1 Total net adjustments	-	-1,046	-1,950	-6,113	-	-315	-9,424
D.2 Gross final carrying amount	**2,308**	**5,069**	**2,171**	**6,780**	**294**	**403**	**17,025**
E. Measurement at cost	**1,446**	**2,243**	**-**	**-**	**115**	**-**	**3,804**

The table above shows the values of owned assets, as well as the rights of use acquired under leases.

As explained in Part A – Fair value of real estate and valuable art assets, in accordance with the rules on valuation frequencies, the properties classified as owner-occupied assets and the valuable art assets were valued during the scenario analyses, through external appraisals, entrusted to qualified and independent experts, and properties classified as trophy assets, including owner-occupied properties, had their appraisals updated.

Sub-captions B.4 and C.4 respectively report the positive and negative changes in fair value relating to owner-occupied real estate (land and buildings) and valuable art assets, for which the Bank applies the revaluation model.

Sub-captions B.7 and C.7 relating to Other increases and Other decreases, respectively, refer mainly to renegotiations and early terminations during the year of leases (IFRS 16) and, only regarding decreases, to amortisation and depreciation recorded during the year on assets deriving from the acquisition of business lines of the former Venetian banks, covered using the allowance for risks and charges specifically allocated at the time.

Sub-caption E. Measurement at cost only contains property and equipment measured according to the revaluation model.

9.6 Of which - Property and equipment used in operations - Rights of use acquired under leases: annual changes

(millions of euro)

	Land	Buildings	Furniture	Electronic equipment	Valuable art assets	Other	Total
A. Gross initial carrying amount	**1**	**1,768**	**35**	**120**	**-**	**156**	**2,080**
A.1 Total net adjustments	-	-778	-	-35	-	-38	-851
A.2 Net initial carrying amount	**1**	**990**	**35**	**85**	**-**	**118**	**1,229**
B. Increases	**-**	**243**	**-**	**53**	**-**	**24**	**320**
B.1 Purchases	-	152	-	48	-	19	219
of which business combinations	-	-	-	-	-	-	-
B.2 Capitalised improvement costs	-	-	-	-	-	-	-
B.3 Recoveries	-	-	-	-	-	-	-
B.4 Positive fair value differences recognised in:	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) shareholders' equity	-	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-	-
B.5 Positive foreign exchange differences	-	-	-	-	-	-	-
B.6 Transfer from investment property	-	-	X	X	X	X	-
B.7 Other changes	-	91	-	5	-	5	101
C. Decreases	**-**	**-337**	**-35**	**-58**	**-**	**-99**	**-529**
C.1 Sales	-	-24	-32	-24	-	-67	-147
of which business combinations	-	-24	-32	-24	-	-66	-146
C.2 Depreciation	-	-186	-3	-34	-	-27	-250
C.3 Impairment losses recognised in:	-	-	-	-	-	-	-
a) shareholders' equity	-	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-	-
C.4 Negative fair value differences recognised in:	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) shareholders' equity	-	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-	-
C.5 Negative foreign exchange differences	-	-1	-	-	-	-	-1
C.6 Transfer to:	-	-	-	-	-	-	-
a) investment	-	-	*X*	*X*	*X*	*X*	-
b) non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-
C.7 Other changes	-	-126	-	-	-	-5	-131
D. Net final carrying amount	**1**	**896**	**-**	**80**	**-**	**43**	**1,020**
D.1 Total net adjustments	-	-973	-	-63	-	-39	-1,075
D.2 Gross final carrying amount	**1**	**1,869**	**-**	**143**	**-**	**82**	**2,095**
E. Measurement at cost	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Sub-captions B.7 and C.7 relating to Other increases and Other decreases, respectively, refer mainly to renegotiations and early terminations during the year of leases (IFRS 16).

9.7 Investment property: annual changes

(millions of euro)

	TOTAL	
	Land	**Buildings**
A. Initial carrying amount	**237**	**533**
B. Increases	**37**	**93**
B.1 Purchases	-	-
of which business combinations	-	-
B.2 Capitalised improvement costs	-	3
B.3 Positive fair value differences	-	3
B.4 Recoveries	-	-
B.5 Positive foreign exchange differences	-	-
B.6 Transfer from investment property	27	50
B.7 Other changes	10	37
C. Decreases	**-17**	**-42**
C.1 Sales	-1	-5
of which business combinations	-	-
C.2 Depreciation	-	-
C.3 Negative fair value differences	-4	-14
C.4 Impairment losses	-	-
C.5 Negative foreign exchange differences	-	-
C.6 Transfer to	-12	-21
a) property used in operations	*-3*	*-5*
b) non-current assets held for sale and discontinued operations	*-9*	*-16*
C.7 Other changes	-	-2
D. Final carrying amount	**257**	**584**
E. Fair value measurement	**-**	**-**

The table above shows the values of owned assets, as well as the rights of use acquired under leases.

Investment property, comprised of land and buildings, is measured at fair value, in compliance with IAS 40.
Sub-captions B.3 Positive fair value differences and C.3 Negative fair value differences reflect the recognition of the effects of the update of the appraisals for the investment properties. See Part A - Information on fair value - Fair value of real estate and valuable art assets for more information on the measurement criteria.

9.7 Of which - Investment property - Rights of use acquired under leases: annual changes

As at 31 December 2025, the amount for Investment property - Rights of use acquired under leases was immaterial.

9.8 Inventories of property and equipment governed by IAS 2: annual changes

(millions of euro)

Assets/Amounts	Inventories of property and equipment resulting from the enforcement of guarantees					Other inventories of property and equipment	TOTAL
	Land	Buildings	Furniture	Electronic equipment	Other		
A. Initial carrying amount	**7**	**160**	**-**	**-**	**1**	**117**	**285**
B. Increases	**-**	**5**	**-**	**-**	**6**	**10**	**21**
B.1 Purchases	-	5	-	-	6	-	11
-of which business combinations	-	-	-	-	-	-	-
B.2 Recoveries	-	-	-	-	-	-	-
B.3 Positive foreign exchange differences	-	-	-	-	-	-	-
B.4 Other changes	-	-	-	-	-	10	10
C. Decreases	**-**	**-56**	**-**	**-**	**-6**	**-41**	**-103**
C.1 Sales	-	-10	-	-	-6	-38	-54
-of which business combinations	-	-	-	-	-	-	-
C.2 Impairment losses	-	-2	-	-	-	-3	-5
C.3 Negative foreign exchange differences	-	-	-	-	-	-	-
C.4 Other changes	-	-44	-	-	-	-	-44
D. Final carrying amount	**7**	**109**	**-**	**-**	**1**	**86**	**203**

9.8 Inventories of property and equipment governed by IAS 2: annual changes *(of which: Banking Group)*

(millions of euro)

Assets/Amounts	Inventories of property and equipment resulting from the enforcement of guarantees					Other inventories of property and equipment	TOTAL
	Land	Buildings	Furniture	Electronic equipment	Other		
A. Initial carrying amount	**7**	**160**	**-**	**-**	**1**	**18**	**186**
B. Increases	**-**	**5**	**-**	**-**	**6**	**2**	**13**
B.1 Purchases	-	5	-	-	6	-	11
-of which business combinations	-	-	-	-	-	-	-
B.2 Recoveries	-	-	-	-	-	-	-
B.3 Positive foreign exchange differences	-	-	-	-	-	-	-
B.4 Other changes	-	-	-	-	-	2	2
C. Decreases	**-**	**-56**	**-**	**-**	**-6**	**-8**	**-70**
C.1 Sales	-	-10	-	-	-6	-5	-21
-of which business combinations	-	-	-	-	-	-	-
C.2 Impairment losses	-	-2	-	-	-	-3	-5
C.3 Negative foreign exchange differences	-	-	-	-	-	-	-
C.4 Other changes	-	-44	-	-	-	-	-44
D. Final carrying amount	**7**	**109**	**-**	**-**	**1**	**12**	**129**

9.8 Inventories of property and equipment governed by IAS 2: annual changes *(of which: insurance companies)*

There were no inventories of property and equipment governed by IAS 2 pertaining to insurance companies of the Intesa Sanpaolo Group.

9.8 Inventories of property and equipment governed by IAS 2: annual changes (of which: other companies)

(millions of euro)

Assets/Amounts	Inventories of property and equipment resulting from the enforcement of guarantees					Other inventories of property and equipment	TOTAL
	Land	Buildings	Furniture	Electronic equipment	Other		
A. Initial carrying amount	-	-	-	-	-	**99**	**99**
B. Increases	-	-	-	-	-	**8**	**8**
B.1 Purchases	-	-	-	-	-	-	-
-of which business combinations	-	-	-	-	-	-	-
B.2 Recoveries	-	-	-	-	-	-	-
B.3 Positive foreign exchange differences	-	-	-	-	-	-	-
B.4 Other changes	-	-	-	-	-	8	8
C. Decreases	-	-	-	-	-	**-33**	**-33**
C.1 Sales	-	-	-	-	-	-33	-33
-of which business combinations	-	-	-	-	-	-	-
C.2 Impairment losses	-	-	-	-	-	-	-
C.3 Negative foreign exchange differences	-	-	-	-	-	-	-
C.4 Other changes	-	-	-	-	-	-	-
D. Final carrying amount	-	-	-	-	-	**74**	**74**

9.9 Commitments to purchase property and equipment

Commitments to purchase property and equipment in existence as at 31 December 2025 were of an immaterial amount.

SECTION 10 - INTANGIBLE ASSETS - CAPTION 100

10.1 Intangible assets: breakdown by type of asset

(millions of euro)

	31.12.2025								31.12.2024	
			Banking group		*Of which: Insurance companies*		*Other companies*			
	Finite useful life	Indefinite useful life	*Finite useful life*	*Indefinite useful life*	*Finite useful life*	*Indefinite useful life*	*Finite useful life*	*Indefinite useful life*	Finite useful life	Indefinite useful life
A.1 Goodwill	**X**	**3,699**	***X***	***2,692***	***X***	***1,007***	***X***	**-**	**X**	**3,697**
A.1.1 Group	x	3,699	*x*	*2,692*	*x*	*1,007*	*x*	-	x	3,697
A.1.2 Minority interests	x	-	*x*	-	*x*	-	*x*	-	x	-
A.2 Other intangible assets	**4,422**	**1,882**	***4,229***	***1,882***	***193***	**-**	**-**	**-**	**4,281**	**1,882**
of which: software	*3,847*	-	*3,704*	-	*143*	-	-	-	3,680	-
A.2.1 Assets measured at cost	4,422	1,882	*4,229*	*1,882*	*193*	-	-	-	4,281	1,882
a) Internally generated intangible assets	*2,399*	-	*2,286*	-	*113*	-	-	-	2,399	-
b) Other assets	*2,023*	*1,882*	*1,943*	*1,882*	*80*	-	-	-	1,882	1,882
A.2.2 Assets measured at fair value	-	-	-	-	-	-	-	-	-	-
a) Internally generated intangible assets	-	-	-	-	-	-	-	-	-	-
b) Other assets	-	-	-	-	-	-	-	-	-	-
Total	**4,422**	**5,581**	***4,229***	***4,574***	***193***	***1,007***	**-**	**-**	**4,281**	**5,579**

As at 31 December 2025, the amount for software was 3,847 million euro, of which 2,399 million euro produced internally and 1,448 million euro purchased externally.

The allocation of goodwill between "Cash Generating Units" is reported in the following table.

(millions of euro)

CGUs/Goodwill	31.12.2025	31.12.2024
Banca dei Territori	-	-
IMI Corporate & Investment Banking	56	56
Insurance	1,007	1,007
Asset Management	1,060	1,061
Private Banking	1,576	1,573
International Banks	-	-
Bank of Alexandria (Egypt)	-	-
Pravex Bank (Ukraine)	-	-
GROUP TOTAL	**3,699**	**3,697**

For a breakdown of the CGUs, see the next chapter "Information on intangible assets and goodwill".

10.2 Intangible assets: annual changes

(millions of euro)

	Goodwill	Other intangible assets: internally generated		Other intangible assets: other		Total
		Finite useful life	Indefinite useful life	Finite useful life	Indefinite useful life	
A. Gross initial carrying amount	**20,895**	**9,826**	**-**	**12,195**	**2,386**	**45,302**
A.1 Total net adjustments	-17,198	-7,427	-	-10,313	-504	-35,442
A.2 Net initial carrying amount	**3,697**	**2,399**	**-**	**1,882**	**1,882**	**9,860**
B. Increases	**2**	**784**	**-**	**635**	**-**	**1,421**
B.1 Purchases	-	44	-	584	-	628
of which business combinations	-	-	-	*27*	-	*27*
B.2 Increases of internally generated intangible assets	X	739	-	7	-	746
B.3 Recoveries	X	-	-	18	-	18
B.4 Positive fair value differences recognised in	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
B.5 Positive foreign exchange differences	2	1	-	3	-	6
B.6 Other changes	-	-	-	23	-	23
C. Decreases	**-**	**-784**	**-**	**-494**	**-**	**-1,278**
C.1 Sales	-	-	-	-8	-	-8
of which business combinations	-	-	-	*-8*	-	*-8*
C.2 Impairment losses	-	-742	-	-486	-	-1,228
- Amortisation	X	-685	-	-473	-	-1,158
- Write-downs recognised in	-	-57	-	-13	-	-70
shareholders' equity	*X*	-	-	-	-	-
income statement	-	*-57*	-	*-13*	-	*-70*
C.3 Negative fair value differences recognised in	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
C.4 Transfer to non-current assets held for sale and discontinued operations	-	-	-	-	-	-
C.5 Negative foreign exchange differences	-	-	-	-	-	-
C.6 Other changes	-	-42	-	-	-	-42
D. Net final carrying amount	**3,699**	**2,399**	**-**	**2,023**	**1,882**	**10,003**
D.1 Total net adjustments	-17,198	-8,169	-	-10,799	-504	-36,670
E. Gross final carrying amount	**20,897**	**10,568**	**-**	**12,822**	**2,386**	**46,673**
F. Measurement at cost	**-**	**-**	**-**	**-**	**-**	**-**

10.2 Intangible assets: annual changes (of which: Banking Group)

(millions of euro)

	Goodwill	Other intangible assets: internally generated		Other intangible assets: other		Total
		Finite useful life	Indefinite useful life	Finite useful life	Indefinite useful life	
A. Gross initial carrying amount	**19,134**	**9,659**	**-**	**10,505**	**2,386**	**41,684**
A.1 Total net adjustments	-16,444	-7,369	-	-8,693	-504	-33,010
A.2 Net initial carrying amount	**2,690**	**2,290**	**-**	**1,812**	**1,882**	**8,674**
B. Increases	**2**	**774**	**-**	**596**	**-**	**1,372**
B.1 Purchases	-	34	-	551	-	585
of which business combinations	-	-	-	-	-	-
B.2 Increases of internally generated intangible assets	X	739	-	7	-	746
B.3 Recoveries	X	-	-	18	-	18
B.4 Positive fair value differences recognised in	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
B.5 Positive foreign exchange differences	2	1	-	3	-	6
B.6 Other changes	-	-	-	17	-	17
C. Decreases	**-**	**-778**	**-**	**-465**	**-**	**-1,243**
C.1 Sales	-	-	-	-	-	-
of which business combinations	-	-	-	-	-	-
C.2 Impairment losses	-	-738	-	-465	-	-1,203
- Amortisation	X	-681	-	-452	-	-1,133
- Write-downs recognised in	-	-57	-	-13	-	-70
shareholders' equity	*X*	-	-	-	-	-
income statement	-	*-57*	-	*-13*	-	*-70*
C.3 Negative fair value differences recognised in	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
C.4 Transfer to non-current assets held for sale and discontinued operations	-	-	-	-	-	-
C.5 Negative foreign exchange differences	-	-	-	-	-	-
C.6 Other changes	-	-40	-	-	-	-40
D. Net final carrying amount	**2,692**	**2,286**	**-**	**1,943**	**1,882**	**8,803**
D.1 Total net adjustments	-16,444	-8,107	-	-9,158	-504	-34,213
E. Gross final carrying amount	**19,136**	**10,393**	**-**	**11,101**	**2,386**	**43,016**
F. Measurement at cost	**-**	**-**	**-**	**-**	**-**	**-**

10.2 Intangible assets: annual changes (of which: Insurance companies)

(millions of euro)

	Goodwill	Other intangible assets: internally generated		Other intangible assets: other		Total
		Finite useful life	Indefinite useful life	Finite useful life	Indefinite useful life	
A. Gross initial carrying amount	**1,743**	**167**	**-**	**1,580**	**-**	**3,490**
A.1 Total net adjustments	-736	-58	-	-1,519	-	-2,313
A.2 Net initial carrying amount	**1,007**	**109**	**-**	**61**	**-**	**1,177**
B. Increases	**-**	**10**	**-**	**39**	**-**	**49**
B.1 Purchases	-	10	-	33	-	43
of which business combinations	-	-	-	*27*	-	*27*
B.2 Increases of internally generated intangible assets	X	-	-	-	-	-
B.3 Recoveries	X	-	-	-	-	-
B.4 Positive fair value differences recognised in	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
B.5 Positive foreign exchange differences	-	-	-	-	-	-
B.6 Other changes	-	-	-	6	-	6
C. Decreases	**-**	**-6**	**-**	**-20**	**-**	**-26**
C.1 Sales	-	-	-	-	-	-
of which business combinations	-	-	-	-	-	-
C.2 Impairment losses	-	-4	-	-20	-	-24
- Amortisation	X	-4	-	-20	-	-24
- Write-downs recognised in	-	-	-	-	-	-
shareholders' equity	*X*	-	-	-	-	-
income statement	-	-	-	-	-	-
C.3 Negative fair value differences recognised in	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
C.4 Transfer to non-current assets held for sale and discontinued operations	-	-	-	-	-	-
C.5 Negative foreign exchange differences	-	-	-	-	-	-
C.6 Other changes	-	-2	-	-	-	-2
D. Net final carrying amount	**1,007**	**113**	**-**	**80**	**-**	**1,200**
D.1 Total net adjustments	-736	-62	-	-1,539	-	-2,337
E. Gross final carrying amount	**1,743**	**175**	**-**	**1,619**	**-**	**3,537**
F. Measurement at cost	**-**	**-**	**-**	**-**	**-**	**-**

10.2 Intangible assets: annual changes (of which: Other companies)

(millions of euro)

	Goodwill	Other intangible assets: internally generated		Other intangible assets: other		Total
		Finite useful life	Indefinite useful life	Finite useful life	Indefinite useful life	
A. Gross initial carrying amount	**18**	**-**	**-**	**110**	**-**	**128**
A.1 Total net adjustments	-18	-	-	-101	-	-119
A.2 Net initial carrying amount	**-**	**-**	**-**	**9**	**-**	**9**
B. Increases	**-**	**-**	**-**	**-**	**-**	**-**
B.1 Purchases	-	-	-	-	-	-
of which business combinations	-	-	-	-	-	-
B.2 Increases of internally generated intangible assets	X	-	-	-	-	-
B.3 Recoveries	X	-	-	-	-	-
B.4 Positive fair value differences recognised in	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
B.5 Positive foreign exchange differences	-	-	-	-	-	-
B.6 Other changes	-	-	-	-	-	-
C. Decreases	**-**	**-**	**-**	**-9**	**-**	**-9**
C.1 Sales	-	-	-	-8	-	-8
of which business combinations	-	-	-	*-8*	-	*-8*
C.2 Impairment losses	-	-	-	-1	-	-1
- Amortisation	X	-	-	-1	-	-1
- Write-downs recognised in	-	-	-	-	-	-
shareholders' equity	*X*	-	-	-	-	-
income statement	-	-	-	-	-	-
C.3 Negative fair value differences recognised in	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
C.4 Transfer to non-current assets held for sale and discontinued operations	-	-	-	-	-	-
C.5 Negative foreign exchange differences	-	-	-	-	-	-
C.6 Other changes	-	-	-	-	-	-
D. Net final carrying amount	**-**	**-**	**-**	**-**	**-**	**-**
D.1 Total net adjustments	-18	-	-	-102	-	-120
E. Gross final carrying amount	**18**	**-**	**-**	**102**	**-**	**120**
F. Measurement at cost	**-**	**-**	**-**	**-**	**-**	**-**

10.3 Other information

As at 31 December 2025, there were commitments relating to investments in intangible assets, primarily software, of approximately 48 million euro.

Information on intangible assets and goodwill

The application of IFRS 3 to the accounting of business combinations may lead to the recognition of new intangible assets and goodwill.
In the case of Intesa Sanpaolo Group, the merger between Banca Intesa and Sanpaolo IMI and the subsequent acquisitions led to the recognition of significant amounts for intangible assets and goodwill.
With regard to movements of intangible assets and goodwill in 2025, the total, non-proportional demerger of Cronos Vita, a company owned by the five leading Italian insurance companies (including Intesa Sanpaolo Assicurazioni), which intervened during 2023 in a system-wide operation to rescue Eurovita, was finalised during the fourth quarter. As part of that demerger, finalised on the 1st of October 2025, Intesa Sanpaolo Assicurazioni, which held a stake of 22.5% in Cronos Vita as at 30 September 2025 - recorded under assets held for sale pursuant to IFRS 5 at a value of 50 million euro - designated Fideuram Vita as the beneficiary. Thus, Fideuram Vita acquired control of a business unit composed of an insurance portfolio and additional legal relationships, assets and liabilities. As the control of a specific business line was acquired, the demerger was classified as a business combination pursuant to IFRS 3. Purchase Price Allocation (PPA) resulted in the recognition of an intangible asset with finite life linked to the insurance products falling within the scope of IFRS 9 for a total (before tax) of 27 million euro.
For more details on the operation, refer to Part G – Business combinations of these Notes to the consolidated financial statements.

The table below summarises the values of the intangible assets and goodwill recorded in the consolidated financial statements with the related changes during the period, subdivided by Cash Generating Unit (CGU), which represent the groups of assets subject to impairment testing on intangible assets in order to determine the recoverable amount.

(millions of euro)

CGU	Financial Statements 2024	Cronos Vita acquisition	Amortisation	Impairment losses	Other changes (1)	Financial Statements 2025
BANCA DEI TERRITORI DIVISION	**1,678**	**-**	**-16**	**-**	**-**	1,662
- Asset management intangibles - distribution	159	-	-15	-	-	144
- Brand name intangibles	1,507	-	-	-	-	1,507
- Intangible asset under administration	12	-	-1	-	-	11
DIVISIONE IMI CORPORATE & INVESTMENT BANKING	**56**	**-**	**-**	**-**	**-**	**56**
- Goodwill	56	-	-	-	-	56
ASSET MANAGEMENT DIVISION	**1,149**	**-**	**-5**	**-**	**-1**	**1,143**
- Asset management intangibles - prod. and distribut.	88	-	-5	-	-	**83**
- Goodwill	1,061	-	-	-	-1	1,060
PRIVATE BANKING DIVISION	**2,175**	**-**	**-20**	**-**	**4**	**2,159**
- Asset management intangibles - prod. and distribut.	185	-	-16	-	1	170
- Intangibile Core Deposits	25	-	-2	-	-	23
- Brand name intangibles	375	-	-	-	-	375
- Intangible asset under administration	17	-	-2	-	-	15
- Goodwill	1,573	-	-	-	3	1,576
INSURANCE DIVISION	**1,038**	**27**	**-7**	**-**	**-**	**1,058**
- Insurance intangibles - production	31	27	-7	-	-	51
- Goodwill	1,007	-	-	-	-	1,007
DIVISIONE INTERNATIONAL BANKS	**68**	**-**	**-2**	**-**	**5**	**71**
- Intangible asset management - production	68	-	-2	-	5	71
BANK OF ALEXANDRIA (Egypt)	**-**	**-**	**-**	**-**	**-**	**-**
PRAVEX BANK (Ukraine)	**-**	**-**	**-**	**-**	**-**	**-**
CGU TOTAL	**6,164**	**27**	**-50**	**-**	**8**	**6,149**
- Asset management intangibles	500	-	-38	-	6	468
- Insurance intangibles	31	27	-7	-	-	51
- Intangibile Core Deposits	25	-	-2	-	-	23
- Intangible asset under administration	29	-	-3	-	-	26
- Brand name intangibles	1,882	-	-	-	-	1,882
- Goodwill	3,697	-	-	-	2	3,699

(1) Mainly exchange differences on goodwill and other intangible assets in foreign currency.

The intangible assets with finite useful lives recognised refer to customer relationships and relate to the valuation of insurance products (Value of Business Acquired) classified as investments, falling within the scope of application of IFRS 9, Assets Under Administration (AUA), Assets Under Management (AUM) and Core Deposits. For the intangible assets with a finite useful life, the amortisation for the year was recognised to the income statement (under item “220. Net adjustments to/recoveries on intangible assets”) for a total of 50 million euro before tax.

The brand name, an intangible asset related to marketing, was also measured. This asset is considered to have an indefinite life since it is expected to contribute for an indefinite period of time to the formation of income flows.

Based on IAS 36, both intangible assets with an indefinite useful life and goodwill are submitted to impairment testing on an annual basis to verify recoverability of their value. In addition, intangible assets with a finite useful life must be tested for impairment whenever there is evidence of impairment indicators. The recoverable amount consists of the higher of the fair value and the value in use, less costs to sell.
Lastly, it should be mentioned that IAS 36, for the purpose of calculating the value in use of intangibles subject to impairment testing, states that reference must be made to cash flows arising from intangible asset in its current condition (as at the impairment test date), with no distinction between cash flows arising from the asset initially recognised according to IFRS 3 and those relating to the asset outstanding at the impairment test date. This is because it would be difficult, especially with regard to extraordinary transactions between businesses or changes in the asset following significant turnover in volumes, customers, contracts, etc., to separate cash flows relating to the original asset from others.
This concept can also be applied in impairment testing of goodwill to calculate the Value in use of the CGUs, for which the cash flows have to be considered with regard to all assets and liabilities of that CGU and not only the assets and liabilities for which goodwill was recognised on application of IFRS 3.
Pursuant to IAS 36, the recoverable amount consists of the higher of the fair value and the value in use, less costs to sell. As in previous financial statements, for impairment testing in the 2025 Financial Statements, to calculate the recoverable amount, the Value in use, which represents the present value of net future cash flows from the asset (or business) being valued, was used, because the fair value, represented by the stock market price of the Intesa Sanpaolo share, could theoretically in and of itself constitute sound evidence of the recoverability of the goodwill recognised, considering the Group's market capitalisation which, as at 31 December 2025, continued to show levels much higher than its net book value, with a P/BV multiple higher than 1. However, it is important to consider that the fair value, identified by the stock market price, is available only for the Intesa Sanpaolo Group as a whole, not by single CGU which, instead, is the level at which the test must be carried out pursuant to IAS 36. The stock market prices may also be impacted by factors extraneous to the performance of the business policies set by the Group, and are values that refer to the sale of minority shares which, thus, do not include a premium for control, over a short-term investment horizon, contrary to the logics underlying the impairment test. Vice versa, the value in use is based on a general approach, in which the value of an asset is the direct expression of the cash flows it is able to generate over the period of its use.
As a result, for the Annual Report as at 31 December 2025, in line with the previous financial statements, the impairment test on goodwill was conducted by applying the DCF (Discounted Cash Flow) model, to which the Dividend Discounted Model (DDM) is added, as a check of the consistency of the results of using the DCF model. Both of these approaches were based on the individual estimates made internally for the 2026-2030 period, which for the years 2026-2029 are based on the flows in the new 2026-2029 Business Plan, approved by the Board of Directors on 2 February 2026, while the flows for 2030 were estimated through inertial tracking of the flows for 2029, on the basis of forecasts relating to the updated macroeconomic scenario underlying the preparation of the Plan.
It is noted that the tests mentioned above did not concern the Banca dei Territori, International Banks, Bank of Alexandria or Pravex Bank CGUs in consideration of the absence, as of the date of the test, of goodwill allocated to those CGUs to be subject to impairment test.
These tests were also accompanied by an autonomous test, using an independent expert, of the fair value of the component of the brand name attributable to Banca dei Territori, the CGU to which the main portion of that intangible asset is allocated and which did not have any allocated goodwill as at 31 December 2025.
The results of the impairment test as at 31 December 2025 showed no need to recognise any goodwill impairment or adjustments to intangible assets with an indefinite life (brand name) with regard to any of the CGUs in the Intesa Sanpaolo Group.

Lastly, the methods, assumptions and results of the impairment test procedures for intangible assets and goodwill defined by management were approved by the Board of Directors prior to approval of the draft financial statements for 2025.

Impairment testing of intangibles

Insurance portfolio

With regard to the intangible assets related to insurance products falling within the scope of IFRS 9, on the other hand, these continue to be recognised and amortised according to the original amortisation schedule. Given that IAS 36 stipulates impairment testing must not be limited only to the cash flows deriving from the policies acquired, but should take account of all the cash flows linked to the assets of the specific CGU, and considering the immateriality of the contracts underlying the initial valuation of those intangible assets with respect to the total contracts in the Insurance CGU as a whole, it is confirmed that there were no signs of impairment of those intangible assets.
As at 31 December 2025, the total value of intangible assets related to insurance products falling within the scope of IFRS 9, fully allocated to the Insurance CGU, amounted to 51 million euro.

Asset management and administration portfolio

The intangible asset recognised in Intesa Sanpaolo's financial statements is regarded as having a finite useful life. Accordingly, for the purposes of the 2025 Financial Statements, analyses were conducted on the main indicators of the value of this asset, which were also monitored throughout the year, mainly represented by the performance of assets. Those analyses regarded the component of the intangible assets linked to assets under administration (AUA) and under management (AUM), represented by the capacity of the relationships existing at the acquisition date to generate cash flows over the residual useful life of those relationships, recognised in the financial statements following the acquisitions that were carried out over time.
As stated above, IAS 36 provides that impairment testing must not be limited only to the cash flows deriving from the assets acquired, but should take account of all the cash flows linked to the assets of the specific CGU, also including the cash flows generated after initial measurement of the intangible assets. In this regard, it is noted that the volumes of assets underlying the measurement of the intangible assets recognised in the financial statements are negligible if compared with the total assets of the CGUs.

Accordingly, in the light of the above, it can be confirmed that there were no signs of impairment of the intangible assets recognised in the financial statements and pertaining to asset under management and asset under administration relationships. As at 31 December 2025, taking account of the portion amortised in the meantime, the intangible asset linked to AUM totalled 468 million euro and was allocated to the Banca dei Territori CGU (144 million euro), to the Private Banking CGU (170 million euro), to the Asset Management CGU (83 million euro) and to the International Banks CGU (71 million euro). Likewise, the intangible asset linked to AUA, taking account of the component of amortisation recorded during the year, amounted to 26 million euro, of which 11 million euro was allocated to the Banca dei Territori CGU and 15 million euro to the Private Banking CGU.

Core Deposits

"Core Deposits" are "customer-related intangibles", generally recorded in business combinations between banks. The intangible value of core deposits stems from the future benefits implicit in on demand deposits, deriving from the stable and lower funding cost compared to market parameters. Basically, the acquirer may use funding for its lending and investment activities which pays less than the interbank market interest rate. The intangible asset consists of the valuation of this future margin, known as the "deposit premium", which represents an asset the value of which is correlated with the performance of market rates and the assets raised. The intangible asset, which amounted to a residual value of 23 million euro as at 31 December 2025, was fully allocated to the Private Banking CGU

No impairment indicators were identified for the core deposits, considering the current interest rates, compared to those at the date of initial recognition of the intangible asset. Though the current interest rates have changed, compared to those at the date of initial recognition of the intangible asset, the interest rate on the main refinancing operations (MROs) was substantially aligned with that recorded at the time of purchase of the bank and used to determine the value of intangible assets. Moreover, the assets from on demand deposits of Private Banking CGU were significantly higher than those underlying the specific intangible asset.

Brand name

IFRS 3 considers the "brand name" a potential, marketing related intangible asset, which may be recorded in the Purchase Price Allocation (PPA) process.

For this purpose, please note that the term "brand" is used in accounting standards with an extensive meaning and not as a synonym of "logo" or "name". It is considered a general marketing term which defines a set of complementary intangible assets (in addition to the name and the logo, also the competencies, consumer trust, service quality, etc.) which concur to form brand equity.

With reference to acquisition of the Sanpaolo IMI Group, it was decided to limit the analysis to just two brands: the corporate brand Sanpaolo IMI, intended as an "umbrella" brand to which the brands of the other network banks were also related, and the brand of the subsidiary Fideuram – Intesa Sanpaolo Private Banking (former Banca Fideuram), as an autonomous brand widely recognised on the market for the placement of financial products through a network of financial advisors. Both are considered intangibles with indefinite useful life, since they are deemed to contribute indefinitely to the formation of income flows. Market methods and flow-based methods (and, thus, based on fundamental analyses) were used in the valuation of the two brands. Value was determined as the average of the values obtained using the various methods.

The amount recorded in the 2025 Financial Statements came to 1,882 million euro, of which 1,507 million euro was allocated to the Banca dei Territori CGU and 375 million euro to the Private Banking CGU.

In general, the brand name is considered an intangible asset that has no independent cash flows and, thus, to be subject to impairment testing as part of the verification of the retention of goodwill for the various CGUs. For the purposes of this impairment test, with regard to the brand name allocated to the Banca dei Territori CGU, it was considered that this CGU did not have any goodwill allocated and, in line with that carried out for the previous financial statements, it was decided to conduct a specific, autonomous valuation of the specific intangible based on the fair value resulting from the dedicated appraisal commissioned from a third party expert.

Lacking specific transactions on comparable banking brand names, the fair value of the brand name allocated to the Banca dei Territori CGU was estimated using the following methods:

– Royalty Relief;
– the implicit value in estimating brands with comparable PPAs;
– the implicit value in the public estimates of brands provided by independent third parties (Brand Finance);
– Hirose.

The brand valuation criteria used by the expert, with the exception of the criterion of comparable PPAs, while remaining in line with the method used for previous valuations, took account of the Group's ESG positioning. The analyses conducted were based on the ESG score from the info provider Refinitiv.

Royalty Relief Criterion

The Royalty Relief criterion determines the value of the brand from the present value of income deriving from the brand, estimated as the product of a royalty rate reconstructed on the basis of implicit rates in comparable PPAs and the value of net turnover (operating income, for banks).

Criterion of the implicit value in estimating brands with comparable PPAs

The criterion of the implicit value in estimating brands with comparable PPAs determines the value of the brand based on the "Fair value of the brand/Operating income" multiples recorded on PPA and their fundamental drivers.

The multiple, calculated in relation to net operating income, is taken from the fair value of the brands recognised on PPA of commercial banks from the Markables database.

Criterion of the implicit value in the public estimates of brands provided by independent third parties (Brand Finance)
Brand Finance is a UK company specialising in valuing brands. Each year, Brand Finance publishes the updated estimated value of the brands of the top 500 global banks.
The valuation of brands carried out by Brand Finance is consistent with the relief from royalties criterion, widely used in valuation to estimate the value of brands. According to this criterion, the value of the brand corresponds to the current value of royalty flows saved. The royalty rates are determined based on the trademark license agreements of comparable companies and applied to the specific bank brand based on the strength of the brand estimated and discounted at an opportunity cost of capital in line with the assigned brand rating.

Hirose Criterion
This criterion is based on the comparison of the profitability of the branded company (in this case, the Banca dei Territori CGU) and unbranded competitor companies. The income-based method adopted is attributable to the profit-split criterion.

To check the values resulting from the four methods, the brand value was also estimated based on the Residual Income Model criterion, which expresses the value of a bank based on its equity and current value of residual income, calculated as the difference between the net income and the product of the opportunity cost of capital and shareholders' equity.

Based on the analyses conducted, all the methods used returned a value of the Intesa Sanpaolo brand for the Banca dei Territori CGU higher than the book value of that intangible asset, demonstrating the value of the Group's brand and the resulting competitive advantage it continues to provide the Group in relation to its competitors.

Instead, the brand name allocated to the Private Banking CGU was subject to impairment testing as part of the activities regarding the verification of the recoverable amount of the goodwill allocated to that CGU.

Impairment testing of CGUs and goodwill

Definition of Cash Generating Units (CGUs)
As goodwill is an intangible asset that does not generate autonomous cash flows without the contribution of other company assets, in conducting the impairment test, IAS 36 requires that those intangible assets be preliminarily attributed to specific Cash Generating Units (CGU), representing organisational units that are relatively autonomous in terms of operations, capable of generating cash flows that are largely independent from those generated by other areas of operation, but interdependent within the organisational unit generating them. Only once the CGUs and the goodwill allocated to them have been defined can the values in use to be compared to the carrying amounts be calculated.
According to the provisions of IAS 36, the CGUs must be identified in a way that reflects the company's operating and management situation. Specifically, it is necessary to correlate the level at which the goodwill is tested with the level of internal reporting at which management controls the increases and decreases in value. Definition of the level at which the CGUs will be anchored closely depends on the organisational models adopted and on the managerial responsibilities governing the operating guidelines and monitoring activity.
For the ISP Group, the identification of the CGUs is influenced by the centralised organisational model adopted, which reflects the methods used to formulate company policies, plan revenue flows and monitor operating performance. This organisational model is not based on the legal entities through which the Group conducts its business, but rather on operating divisions, which constitute the level of analysis and management of the Group's performance. Therefore, based on the considerations made, and with the only exception of the subsidiaries Pravex Bank and Bank of Alexandria, pursuant to IAS 36 and considering the significance of the impairment test on goodwill, the CGUs were identified as the operating segments, as defined by IFRS 8:
– Banca dei Territori;
– IMI Corporate & Investment Banking;
– Insurance;
– Asset Management;
– Private Banking;
– International Banks.

This was done based on several specific drivers, in line with the provisions of IAS 36:
– management decisions are highly centralised at the level of the heads of the operational segments;
– strategies, identification of new products or services and commercial penetration initiatives are outlined and directed centrally for each operating division;
– planning processes and reporting systems are managed at the operational segment level;
– as a result of this centralisation, income flows are highly dependent on the policies set up at segment level, based on balanced development of the entire division and not of the individual operating areas or legal entities considered individually;
– specialised transversal areas are defined to provide support and develop products benefiting many subsidiaries;
– the management of financial risks is also highly centralised in order to maintain, also as a result of regulatory provisions, a balance between the capital allocation policies and the financial risks in development of the various business lines;
– the divisions operate in homogeneous markets or sectors in terms of economic characteristics and development level.

In line with the choices made in previous years, considering the difficult geopolitical and financial scenario that impacted and could still impact the cash flows of the Division in the future, the subsidiaries Pravex Bank and Bank of Alexandria were separated out of the International Banks Division and considered autonomous CGUs. In any event, the goodwill relating to those two companies was eliminated in 2008 and 2011, respectively. Therefore, the identification of the two subsidiaries as autonomous CGUs has no impact on the results of the impairment test.
Likewise, the CGUs Banca dei Territori and International Banks had no goodwill allocated as at 31 December 2025.
In addition to having no goodwill allocated, and considering the Group's confirmed intention to reduce its corporate presence in Russia, also in line with the regulator's expectations, the contribution of the Russian investee Joint-Stock Company Banca Intesa (Banca Intesa Russia) was allocated to the Corporate Centre and, from a prudential perspective, for the purpose of impairment test projects, its contribution to the Group's prospective profitability was sterilised.

Book value of the CGUs

The book value of the CGUs must be determined in a manner consistent with the criterion used to estimate their recoverable amount. For a banking business, the cash flows generated by a CGU cannot be identified without considering the cash flows deriving from financial assets/liabilities, as these represent the core business. In other words, the recoverable amount of the CGUs is influenced by the aforementioned cash flows and therefore the CGUs' book value must include financial assets/liabilities in accordance with the scope of the recoverable amount estimate process.
Consequently, these assets and liabilities must be properly allocated to the associated CGUs. On this basis (so-called "equity side"), the book value of the Intesa Sanpaolo Group's CGUs may be determined in terms of contribution to consolidated shareholders' equity including the minority interest.
Accordingly, the carrying amount of the CGUs composed of companies belonging to a single operating division was determined by summing up the individual contributions to the balance sheet.
However, where the Parent Company or other Group companies contribute to multiple CGUs from a management standpoint, and this division is not represented in accounting information, management values must be used. In this specific case, the management driver was identified as each division's "regulatory capital", which represents the capital absorption necessary to handle the types of risk envisaged by the regulatory supervision rules.
The table below provides the book values of the CGUs and the goodwill and brand name allocations to each. The values, determined for impairment testing purposes, include the portion of goodwill attributable to minority interests (included in the last column with minority interests).

(millions of euro)

	Values as at 31.12.2025			
CGU	Book value	*of which goodwill Group share*	*of which brand name*	*of which minority interests*
Banca dei Territori	17,537	-	*1,507*	*1*
IMI Corporate & Investment Banking	19,933	*56*	-	*2*
Insurance	7,058	*1,007*	-	*2*
Asset Management	3,065	*1,060*	-	*2*
Private Banking	8,706	*1,576*	*375*	*18*
International Banks	8,456	-	-	-
Bank of Alexandria (Egypt)	634	-	-	*127*
Pravex Bank (Ukraine)	-	-	-	-
TOTAL	**65,389**	***3,699***	***1,882***	***152***

Criteria for estimates of CGUs' value in use

The value in use of CGUs is determined by estimating the present value of future cash flows that may be expected to be generated by the CGUs. These cash flows are normally estimated by using the latest publicly available business plan or, in its absence, through the drawing up by management of an internal forecast plan.
The forecasting period for the analysis usually consists of a maximum of five years. The cash flow of the final year of the forecast is projected in perpetuity (through the use of perpetual return formulae, or, alternatively, temporary return formulae, if it is not realistic to expect the assets subject to measurement to generate positive cash flows over the long term), using an appropriate growth rate "g" for the purposes of the so-called "Terminal Value." The "g" rate is determined by assuming as growth factor the rate of increase in the gross domestic product of the countries in which the cash flows are generated.
Alternatively, the Terminal Value could be determined on the basis of a final sale or liquidation value.
For the determination of the value in use, the cash flows must be discounted at a rate that reflects the present valuations of the time value of money and the asset's specific risks. Specifically, the discount rates to be used must incorporate the present market values with reference to the risk-free component and the risk premium associated with the equity component observed over a sufficiently long time period to reflect different market conditions and economic cycles.
In addition, given the diverse risks of the respective operating areas, different Beta coefficients must be used for each CGU. All the resulting rates have been adjusted to take into account the "Country Risk".

Cash flow estimates

For determining the Value in Use of the CGUs, the first step in defining the forward-looking cash flows for the various business areas entails the forecasts regarding the macroeconomic scenario and sector. The reference economic scenario is the one drawn up by the Intesa Sanpaolo Research Department, which indicates a framework of moderate expansion, supported by a gradual improvement in economic indicators.

At international level, the scenario assumes the persistence of the main geopolitical risks, without significant shocks on energy, global trade or supply chains. However, extreme uncertainties and sensitivity remain regarding the evolution of US policy. In the Euro Area, growth is projected at 1.4% in 2025 and 1% in 2026, with inflation forecast at slightly less than 2% in 2026. In Italy, the estimates of the reference scenario indicate growth of 0.5% in 2025 and 0.8% in 2026, supported by non-residential fixed investments and the gradual recovery in consumer spending. In terms of interest rates, the scenario incorporates a prudent approach, assuming a stable ECB deposit rate of 2% in the period 2027-2030 and a BTP-Bund spread, revised downwards, growing slightly over the medium term.

In 2025 the Italian banking sector showed gradual consolidation, supported by the improvement in loan conditions, the recovery in investments and fewer tensions on the money markets. Loans to businesses started growing again, after two years of decline, due to the relaunch of medium-long term loans and support to the programmes Transition 4.0 and 5.0. That trend is expected to continue in 2026 and remain positive, though more moderate, in the period 2027-2030, with the medium-long term component as the main driver of growth.

Demand for credit from households also strengthened, supported by the recovery in home loans, the resilience of the property market and growth in consumer credit. The outlook for 2026-2030 indicates an increase in the stock of mortgage loans of around 2% per year.

In terms of deposits, 2025 saw an overall increase (+2.3% according to preliminary estimates), driven by current accounts, which benefited from a preference for liquidity in an uncertain environment, while term deposits declined as a result of a decrease in interest rates offered. For 2026, household deposits are expected to normalise, while business deposits are expected to slow down.

The asset management sector benefited from favourable market conditions in 2025, with positive net inflows for funds and assets under management, and an improvement in life insurance policies. The positive trend in net inflows is expected to continue in 2026, thanks to stable interest rates and a balance between bond and equity sub-funds, with moderate but widespread growth across the entire sector.

The table below illustrates the macroeconomic and banking variables expected in the period 2026-2030, only for Italy, as no goodwill was recognised for the CGUs operating in foreign countries.

(values as a percentage)

Italy	2025	2026	2027	2028	2029	2030
REAL ECONOMY						
Real GDP Italy	0.5	0.8	0.8	0.7	0.6	0.6
Consumer prices Italy	1.5	1.4	1.8	1.9	1.9	1.9
ECB Depo Rate (period end)	2.00	2.00	2.00	2.00	2.00	2.00
3-month Euribor rate	2.17	2.00	2.02	2.03	2.04	2.03
10-year IRS	2.58	2.78	2.99	3.09	3.13	3.16
10-year BTP	3.56	3.55	3.82	3.98	4.04	4.06
Spread vs. Bund (basis points)	94	80	91	105	111	112
BANKING SECTOR						
Loans	0.5	1.8	2.2	2.0	1.9	1.9
Direct customer deposits	2.3	2.2	2.1	2.0	1.8	1.7
Average customer spread	3.09	3.04	3.04	3.04	3.04	3.04
Mutual funds	5.2	2.6	3.1	2.9	2.9	2.8
Portfolio management	5.4	2.4	2.8	2.7	2.6	2.6
Life technical reserves	2.6	2.4	3.0	3.5	3.7	3.8

Scenario produced in December 2025 by CFO-Research. Forecast data (estimates for 2025).

The various CGUs' expected cash flows were subject to impairment testing, taking account of the macroeconomic scenario described above, and were estimated by following a two-stage assessment process.

Specifically, with regard to the first forecast period, in line with the choices made in previous financial statements, projections are developed over a time period of five financial years, meaning the five-year period 2026-2030, which for the years 2026-2029 are based on the flows in the new 2026-2029 Business Plan, approved by the Board of Directors on 2 February 2026, while the flows for 2030 were estimated through inertial tracking of the flows for 2029, on the basis of forecasts relating to the updated macroeconomic scenario underlying the preparation of the Plan, without considering the effect of additional managerial initiatives.

The net income projected for the forecast years of the long-term plan has been adjusted, in accordance with IAS 36, to consider non-monetary components and the minority-interest share of net income and exclude the effects of any reorganisation and restructuring transactions or capital gains arising from future disposals of company assets. It also excludes the effects of any reorganisation and restructuring transactions and the capital gains on future sales of company assets. In addition, cash flows include those allocated to the various CGUs deriving from central corporate assets. In accordance with the equity-side approach

mentioned above in relation to the determination of the carrying values of CGUs, the cash flows used for impairment testing include the flows correlated with financial assets and liabilities, given that these represent the company's core business.
For the Terminal Value, i.e. the value of a company at the end of the flow forecast period, i.e. the second stage of valuation, an appropriate “g” rate of the cash flow achievable "at full capacity” was capitalised. The latter was assumed as equal to that forecast for 2030, the last year of analytical projections.
In line with the impairment tests carried out in previous years, the “g” rate was determined as the lower of: i) the average growth rate of Italy's nominal GDP over the period 2008-2030 (the main country of operation of the CGUs that still have allocated goodwill) and ii) the nominal GDP growth rate in the last year of analytical projections, and iii) the growth rate of the CGUs' cash flows in the last year of the analytical projections. Nominal GDP is the sum of the real GDP growth rate and the inflation rate. Expected real GDP and inflation figures used to calculate the "g" rate were drawn from the forecasts prepared by the Intesa Sanpaolo Research Department described above. Each component has been calculated as the average for the period 2008-2030. The choice of the observation period for the growth rates, considering the current particular macroeconomic situation, is attributable to the trends in the real GDP of the last few years, which were often negative and mainly influenced by the various economic and financial crises that hit the global economies in the last two decades. As a result, the period 2008-2029 was deemed sufficiently wide to include, and thus mediate, both periods of harsh crisis, and a future period of return to a scenario of moderate economic growth, and thus, capable of expressing a long-term growth rate.

Cash flow discounting rates
For the determination of the value in use, the cash flows must be discounted at a rate that reflects the present market valuations, the time value of money and the asset’s specific risks.
In practice, the first characteristic (current market conditions) translates into the calculation of all parameters based on the latest available information as at the reference date of the estimate, so as to best take into account the current market assessments.
The second characteristic (consistency between risks/flows and rates) must follow the specificity of flows used for impairment testing of the CGUs. This rate (in its various components) must therefore be decided by observing the specific nature of flows used to assess each CGU, in order to maintain coherence and consistency with the flows. Specifically, consistency becomes important with regard to inflation, country risk and other risk factors that, according to IAS 36, may be expressed in the flows or rate.
The discounting rate should normally include the cost of the various sources of funding of the asset to be assessed, in other words the equity cost and debt cost (i.e. WACC, weighted average cost of capital).
However, in the case of a banking entity, it is estimated according to an equity-side approach, that is to say by considering only the cost of equity capital (Ke), in a manner consistent with the methods for determining cash flows, which, as stated above, include those deriving from financial assets and liabilities.
The cost of capital is determined using the Capital Asset Pricing Model (CAPM), as the sum of risk-free rate and a risk premium, in turn dependent on the specific risks implicit in the business activities.
The cost of capital is determined net of taxes, in order to ensure consistency with the discounted cash flows.
As the various CGUs of the Intesa Sanpaolo Group operate in different business segments and with different risk factors, the specific costs of capital of each CGU were identified. It should be noted that, since cash flows were determined in nominal terms, discounting rates were also determined in nominal terms, meaning that they incorporate inflation expectations.
Entering into the details of the various components that contribute to the determination of discounting rates, it may be remarked that:

– with regard to the choice of cash flow discounting rates, and in particular of the risk-free rate and Country Risk Premium (CRP), in view of the structure of interest rates in the current macroeconomic scenario, it was prudentially decided, in line with the previous financial statements, to confirm the approach that involves the use of differentiated discount rates for the discounting of cash flows expected over the explicit forecast horizon and for the terminal value cash flow:
  - concerning the risk-free component included in the cash flow discounting rate of the explicit forecast horizon (2026-2030), a decision was made to use the average monthly return (December 2025) of the 10-year German Government bonds (Bund);
  - concerning the risk-free component included in the cash flow discounting rate of the terminal value (cash flow projectable beyond the explicit forecast period), a decision was made to use the average annual return of 10-year German government bonds (Bund) forecast for 2030, which is the last year of flow forecast period, based on estimates from the Intesa Sanpaolo Research Department.

  In line with the above, also for the Country Risk Premium (CRP) a methodology was considered that envisages the use of differentiated values. In addition, it should be noted that there is no goodwill allocated to CGUs other than those (mainly) operating in Italy - the “country risk” essentially coincides with the “Italy risk”. Therefore, in the methodological choices for the impairment test of goodwill for the purpose of the 2025 Financial Statements, the CRP was calculated as follows:
  - concerning the CRP included in the cash flow discounting rate of the explicit forecast horizon, the average BTP-Bund spread of December 2025 was considered;
  - concerning the CRP included in the cash flow discounting rate of the terminal value, the average annual BTP-Bund spread estimated for 2030 was considered, based on the medium-term forecast scenario mentioned previously;

  The dual discount rate approach is also consistent with the current market situation, which still features current rates that are lower than the prospective rates incorporated in the above-mentioned macroeconomic scenario.
  Specifically, Intesa Sanpaolo's forecasts on the future yields of Bunds and BTPs take into account the gradual reduction by the ECB of the stocks of government securities of EU countries in its portfolio, purchased as part of the Quantitative Easing programme initiated in 2015. In this regard, the ECB's new policy is expected to shift the rate curve to steeper inclines, more in line with the trends observed historically. The approach used is therefore based on principles of prudence, also considering the volatility of forecasts relating to the medium/long-term rate scenario;
– the equity risk premium – represented by the difference between stock market yield and the Return on Investment on risk-free securities determined in reference to a sufficiently wide time horizon – was calculated on the basis of historical data, given its higher degree of reliability and visibility and the complexity of formulating reliable forecasts of results in order to estimate the equity risk premium implicit in stock market quotations. Specifically, the geometric mean for the equity risk

premium was used, recorded on the US market for the period 1928-2025, adjusted for the differential between the US inflation rate and the German inflation rate (the market used as the basis for risk-free calculation);
– the Beta coefficient, which measures the specific degree of risk of an individual company or business sector, was calculated by identifying a sample of companies, comparable in business terms, for each CGU, and with reference to this sample the average or median Beta figure used was that recorded on a monthly basis over a five-year period;

Summary of growth rates and discounting rates used
The following table presents a summary, for each CGU subject to impairment test, of the parameters relevant to determining value in use: weighted average 2026-2030 growth rates for the cash flows of the various CGUs, including the allocation of cash flows related to the central corporate assets, the "g" growth rates for terminal value purposes, and the various discounting rates and inflation rates.

RATES/PARAMETERS	Nominal growth rates for impairment test (2026-2030)	NOMINAL DISCOUNTING RATES				LONG-TERM "G" GROWTH RATES		INFLATION RATES	
CGU		2025 flows	2025 Terminal Value	2024 flows	2024 Terminal Value	2025	2024	2025	2024
CGU subject to impairment test									
IMI Corporate & Investment Banking	6.96%	9.90%	10.43%	10.17%	12.02%	1.06%	1.97%	1.87%	1.88%
Insurance	5.15%	9.19%	9.71%	9.76%	11.61%	1.06%	1.97%	1.87%	1.88%
Asset Management	4.25%	9.90%	10.43%	9.93%	11.79%	1.06%	1.97%	1.87%	1.88%
Private Banking	4.65%	8.59%	9.12%	9.30%	11.16%	1.06%	1.97%	1.87%	1.88%

Impairment testing results
The outcomes of the impairment test showed how the values in use of each of the CGUs to which goodwill was allocated as at 31 December 2025 were higher than the respective carrying amounts. Thus, it was not necessary to proceed to any impairment of the goodwill or brand names allocated to the CGUs.
In addition, it is specified that, for the sake of completeness of the analysis, the Group's total value in use was confirmed to be greater than the sum of the carrying amounts of the individual CGUs.

Verification of the results of impairment testing using an alternative calculation method
As the value of a company or a business line may also be determined by discounting the distributable cash flows, understood as the future cash flows estimated to be generated by the business area (the single CGUs) net of the share of income that must be retained in equity to meet the supervisory requirements, the recoverability of the book value of the goodwill allocated to the CGUs was verified also by discounting the aforementioned cash flows according to the excess capital version of the Dividend Discounted Model (DDM).
With reference to the supervisory requirements, a Common Equity Tier 1 ratio of 10.75% was used, as resulting from the Group Risk Appetite Framework. For the Insurance CGU, a Solvency Ratio of 170% was taken into account, as per the aforementioned RAF.
Thus, the distributable cash flows were obtained by integrating the expected cash flows determined as illustrated above, factoring in an increase in capital surplus in relation to the above-mentioned minimum limits of capital, or a decrease in the shares of income needed to cover the requirements deriving from the estimated growth trend in risk-weighted assets. These flows, estimated for each CGU, were discounted by applying the same discounting rates and growth rates "g" used in applying the Discounted Cash Flow (DCF) method.
The results of this method confirmed the results based on the calculation made using the DCF method.

Reconciliation of the results of the impairment test with the market valuation
During 2025, the Intesa Sanpaolo share price increased sharply (+53.3%), slightly underperforming the Italian sector index (FTSE Italia All-Share Banks, +65.7%) and the Stoxx 600 banks index (+57%) and outperforming the main benchmark index of the Borsa Italiana (FTSE MIB Index, +31.5%).
Specifically, during the year, the share price grew steadily and robustly, showing a pace of growth, especially in the last quarter of 2025, that led the stock market price to a value of 5.92 euro at the end of December 2025, compared to 3.86 euro at the end of 2024. Note that, at the end of January 2026, the share price remained at around 5.9 euro, with a market capitalisation of over 100 billion euro (and a P/BV ratio of approximately 1.6x).
Valuations and reports by financial analysts produced during 2025 also saw an upward revision of 12-month target prices, with the trend broadly in line with the rise in Intesa Sanpaolo's share price, recording an average value at the end of December of 6.2 euro per share.

Analysts confirm their highly positive outlook on the Intesa Sanpaolo Group, highlighting the strength of the brand and the proven
ability of the management to provide consistent results. The Bank continues to generate industry-leading profitability, benefiting from a well-diversified business model in which portfolio management, protection and insurance are the main drivers of growth, whilst cost control and operational discipline remain strengths recognised by the
market. Moreover, its distribution policy to shareholders is considered generous, with a high pay-out.

It should be noted that the valuations expressed by the analysts were intended for financial investors and thus aimed to determine prices and values in the short term. These valuations represent the value potentially obtainable from sale on the

market of limited amounts of securities, i.e. the disposal of a minority interest, and are therefore closely pegged to prices and to current market conditions and have different characteristics from the "fundamental" assessment represented by value in use. The difference in the values from the analysts' estimates compared to the value of the Intesa Sanpaolo Group for the purposes of impairment testing, which reflect on a methodological difference between the fair value and the value in use, may be explained by the following factors:

– different unit of valuation: the fair value calculated by the analysts represents the price of a single share, different from the Value in Use, which measures the Bank's entire capital. However, there is a control premium between the two values, which is lacking in the former case, and which is generally valued within a range of 15% to 25%;
– different time horizon of reference considered by the market: the projected income flows forecast by analysts generally extend to a time horizon of around 3 years and are, at Group level, substantially in line with the estimates produced internally by the Group, while the forecasts used for the impairment test cover a five-year period extending to 2030;
– the cost of the capital used (in not particularly frequent cases where this parameter is explicitly stated) is often determined in overall terms at Group level; the cost of capital of Intesa Sanpaolo, used to discount the terminal value cash flows, is generally lower than the average value shown in the reports by the analysts. The latter tend to use discount rates implicit in stock market values which, being lower than the Value in Use, return higher cost of capital values;
– In terms of methodology, analysts generally use multiples applied to the expected profitability for the following financial year. These methods therefore provide a fair value rather than a long-term value in use.

Finally, it is believed that impairment tests must be performed with the awareness of the fact that the current economic situation still contains elements of uncertainty which could impact expected short- and medium-term cash flows from operating activities, without however affecting the Intesa Sanpaolo Group's primary sources of income and competitive edges, as has also been demonstrated by the results of the past few years in which forecast targets have consistently been achieved, and the income dynamics for 2025.
Accordingly, in developing the valuation model, the following precautions were adopted:

– the forecast flows include the financial effects of the services rendered by the Corporate Centre. Moreover, the final figures of the last few years were substantially in line with or significantly higher than the forecast figures;
– the cost of capital was determined analytically, based on market parameters for each CGU, depending on the different risk of the respective businesses, also considering analytically the various risk factors.
– the "g" growth rate, for the purpose of terminal value for Italy, which represents the area where goodwill is still recognised, was near zero in real terms.

Lastly, the parameters and information used to test the recoverability of intangible assets with indefinite useful life are significantly influenced by the macroeconomic environment and financial market trends, which might undergo changes that cannot be predicted at the present time. If the macroeconomic scenario were to deteriorate in the future with respect to the assumptions, this could lead to impacts on the main assumptions adopted for the determination of the cash flows of the various CGU, which could obviously yield results in the financial statements of the coming years different from those outlined in the Financial Statements as at 31 December 2025. In this regard, it is important to emphasise that the assumptions and hypotheses adopted for the purposes of this impairment test were formulated in a context still characterised by uncertainty, also in view of the current global geopolitical context, which could affect consumers and businesses to a greater extent than currently incorporated in the estimates, slowing down the recovery of economic activity. Nonetheless, it must be noted that the business units that still have significant amounts of goodwill (Insurance, Asset Management and Private Banking) have always had, and are expected also in the future to have profitability that largely justifies the values of goodwill recognised.

Sensitivity analyses

Since the value in use is determined by using estimates and assumptions that may contain some level of uncertainty, sensitivity analyses to verify the sensitivity of the results obtained to changes in the parameters and in the underlying hypotheses, referring to the DCF method, were carried out, as required by the IAS/IFRS.

For CGUs that present residual values of goodwill, the impact on the value in use of an increase of up to 50 basis points in discount rates or a decrease of up to 50 basis points in the growth rate for terminal value purposes was verified. No impairment would emerge in any of the CGUs tested, even in the event of an increase in discounting rates of 50 basis points or a decrease in the "g" rate of 50 basis points.

The table below illustrates the sensitivity (in percentage terms) of the Value in Use of the CGUs that present goodwill to changes in the "g" rate or discount rate of -/+10 basis points, as well as a reduction in the cash flows used for terminal value purposes of 10%.

Sensitivity	CHANGE IN VALUE IN USE		
CGU	Sensitivity to growth rate "g" - 10 bps	Sensitivity to discount rate + 10 bps	Sensitivity to Terminal value cash flows - 10%
IMI Corporate & Investment Banking	-0.74%	-1.01%	-8.50%
Insurance	-0.82%	-1.09%	-6.62%
Asset Management	-0.74%	-1.01%	-6.41%
Private Banking	-0.91%	-1.18%	-6.84%

Based on the table above, changes in the Ke (increasing) or the "g" (decreasing) values within 10 basis points would lead to a general decrease in the values in use of around 1%. Regarding the cash flow considered for the purpose of the terminal value, a 10% decrease of the same would lead to reductions in the values in use of around 7%. In any event, no issues of impairment would arise for any CGU at that amount of sensitivity.

Still considering stress testing, analyses were performed with the aim of determining the limits for the main inputs, beyond which impairment testing of the CGUs would require the recognition of impairment. The following table presents the "g" growth rates and discounting rates for each CGU that would result in a Value in Use in line with its carrying amounts, assuming equal cash flows to be discounted.

Sensitivity	"g" growth rate	Difference compared to the "g" rate used	TV discounting rate	Difference compared to the Ke discounting rate used
CGU				
IMI Corporate & Investment Banking	-8.81%	-987 bps	17.31%	688 bps
Insurance	-13.21%	-1427 bps	19.34%	963 bps
Asset Management	-29.25%	-3031 bps	29.11%	1868 bps
Private Banking	-42.60%	-4366 bps	35.47%	2635 bps

As shown by the data contained in the table, the Values in Use of the CGUs would reduce until the book values, with consequent impairment problems, only in correspondence with the significant worsening of the discounting rates (Ke) and the "g" growth rates.

Finally, within the framework of analysis regarding possible changes in the cash flows of the CGUs on the basis of alternative scenarios to those used for the purposes of this impairment test, account was taken of the impact on forward-looking cash flows of the application of an alternative macroeconomic scenario, consistent with the "adverse" scenario incorporated into the Expected Credit Loss models used to measure loans pursuant to IFRS 9. In this adverse scenario, a downward revision to global growth is anticipated, reflecting weaker GDP estimates for the major advanced and Asian economies. Added to these trends are negative shocks in the financial markets, with share price corrections and falling real estate prices. In addition, the forecast incorporates an unexpected resurgence of tensions in the Middle East, which is driving up risk premiums in the oil market, and repeated but temporary escalations of tensions between China and Taiwan, which are placing modest strain on Asian supply chains.

The above scenario translates into a reduction in cash flows at Group level of 6% on average over the forecast horizon, with impacts substantially distributed across all CGUs. In any event, the reduction in cash flows over the forecast horizon of 2026-2030 based on that scenario would not result in any impairment of the Group's CGUs.

SECTION 11 – TAX ASSETS AND LIABILITIES – CAPTION 110 OF ASSETS AND CAPTION 60 OF LIABILITIES

11.1 Deferred tax assets: breakdown

Deferred tax assets, recognised with regard to deductible temporary differences, totalled 10,479 million euro, of which 9,583 million euro refers to taxes recorded through profit or loss and 896 million euro to taxes with a balancing entry under shareholders' equity. The first of these amounts refers to losses brought forward, to the portion of tax benefits not offset in relation to adjustments to loans and provisions for risks and charges deductible in future years, and to the benefit from realignment of the taxable value of goodwill, trademarks and other intangible assets pursuant to Article 15, par. 10, 10-bis and 10-ter of Decree Law 185/2008. Deferred tax assets recorded as a balancing entry under shareholders' equity almost exclusively refer to tax on negative valuation reserves for financial assets measured at fair value through other comprehensive income, to the cash flow hedges and to recognition of actuarial losses on personnel funds.

11.2 Deferred tax liabilities: breakdown

Deferred tax liabilities amounted to 2,016 million euro and the balancing entry is in the income statement (1,669 million euro) as well as in shareholders' equity (347 million euro).

11.3 Changes in deferred tax assets (through profit or loss)

(millions of euro)

	31.12.2025	Of which:			31.12.2024
		Banking group	Insurance companies	Other companies	
1. Initial amount	**9,936**	***9,200***	***714***	***22***	**11,434**
2. Increases	**1,316**	***1,249***	***67***	**-**	**1,408**
2.1 Deferred tax assets recognised in the period	925	*873*	*52*	-	1,204
a) related to previous years	*16*	*16*	-	-	*343*
b) due to changes in accounting criteria	-	-	-	-	-
c) value recoveries	-	-	-	-	-
d) other	*909*	*857*	*52*	-	*861*
2.2 New taxes or tax rate increases	165	*165*	-	-	-
2.3 Other increases	226	*211*	*15*	-	204
2.4 Business combinations	-	-	-	-	-
3. Decreases	**-1,669**	***-1,531***	***-118***	***-20***	**-2,906**
3.1 Deferred tax assets eliminated in the period	-1,348	*-1,277*	*-70*	*-1*	-2,237
a) reversals	*-1,265*	*-1,265*	-	-	*-2,106*
b) write-offs	*-8*	*-8*	-	-	*-14*
c) due to changes in accounting criteria	-	-	-	-	-
d) other	*-75*	*-4*	*-70*	*-1*	*-117*
3.2 Tax rate reductions	-	-	-	-	-
3.3 Other decreases	-321	*-254*	*-48*	*-19*	-669
a) changes into tax credits pursuant to Law no. 214/2011	*-60*	*-60*	-	-	*-470*
b) other	*-261*	*-194*	*-48*	*-19*	*-199*
3.4 Business combinations	-	-	-	-	-
4. Final amount	**9,583**	***8,918***	***663***	***2***	**9,936**

Among Increases, sub-caption d) other refers mainly to the recognition of convertible deferred tax assets connected with the deductible temporary differences attributed to provisions for risks and charges – including allocations to provisions for personnel – as well as a portion of the estimated IRES (corporate income tax) tax deriving from the deductibility of the goodwill ("Goodwill") of Eurizon Capital S.A. following its incorporation into Eurizon Capital SGR.
The caption New taxes or tax rate increases refers to the revaluation of deferred tax liabilities expected to reverse in the years 2026, 2027 and 2028 to take account of the increase of 2 percentage points in the IRAP tax rate ordered by the 2026 Budget Law, art. 1, paragraph 74 *et seq.*
Other increases mainly consist of the write-off of netting against deferred tax liabilities, applied as at 31 December 2024.
Among Decreases, sub-caption 3.1 a) reversals mainly refer to the elimination of deferred tax assets on tax losses attributable to prior Aid for Economic Growth (ACE) surpluses, and deferred tax assets previously recorded in relation to provisions for risks and charges, as a result of their use during the year.

Among Other decreases, sub-caption a) changes into tax credits pursuant to Law no. 214/2011 refers to the information set out in Part C, table 21.1.
Again, among Other decreases, sub-caption b) other refers to the netting against deferred tax liabilities applied during the year.

11.4 Changes in deferred tax assets pursuant to Law 214/2011

(millions of euro)

	31.12.2025	31.12.2024
1. Initial amount	**4,205**	**6,092**
2. Increases	**134**	**105**
3. Decreases	**-69**	**-1,992**
3.1 Reversals	-	-1,500
3.2 Changes into tax credits	-60	-470
a) from losses for the year	-	-
b) from fiscal losses	*-60*	*-470*
3.3 Other decreases	-9	-22
4. Final amount	**4,270**	**4,205**

The caption Increases refers to the revaluation of deferred tax liabilities expected to reverse in the years 2026, 2027 and 2028 to take account of the increase of 2 percentage points in the IRAP tax rate ordered by the 2026 Budget Law, art. 1, paragraph 74 et seq.

11.5 Changes in deferred tax liabilities (through profit or loss)

(millions of euro)

	31.12.2025	*Of which:*			31.12.2024
		Banking group	*Insurance companies*	*Other companies*	
1. Initial amount	**1,375**	***427***	***944***	***4***	**1,201**
2. Increases	**599**	***296***	***302***	***1***	**514**
2.1 Deferred tax liabilities recognised in the period	457	*163*	*294*	-	337
a) related to previous years	*1*	*1*	-	-	-
b) due to changes in accounting criteria	-	-	-	-	-
c) other	*456*	*162*	*294*	-	*337*
2.2 New taxes or tax rate increases	5	*5*	-	-	-
2.3 Other increases	129	*128*	-	*1*	177
2.4 Business combinations	8	-	*8*	-	-
3. Decreases	**-305**	***-185***	***-118***	***-2***	**-340**
3.1 Deferred tax liabilities eliminated in the period	-156	*-44*	*-110*	*-2*	-22
a) reversals	*-39*	*-36*	*-1*	*-2*	*-15*
b) due to changes in accounting criteria	-	-	-	-	-
c) other	*-117*	*-8*	*-109*	-	*-7*
3.2 Tax rate reductions	-	-	-	-	-1
3.3 Other decreases	-149	*-141*	*-8*	-	-317
3.4 Business combinations	-	-	-	-	-
4. Final amount	**1,669**	***538***	***1,128***	***3***	**1,375**

Among Increases, sub-caption c) other refers to temporary taxable differences which arose during the year in relation to financial assets measured at fair value and to the tax amortisation of the brand name, and to valuation captions referring to the insurance companies.
Other increases mainly consist of the write-off of netting against deferred tax assets applied as at 31 December 2024.

Among Decreases, sub-caption a) reversals mainly refer to the elimination of deferred tax assets previously recorded in relation to the measurement of loans at fair value.
Other decreases mainly relate to the netting against deferred tax assets applied during the fiscal year and the use of deferred tax liabilities recognised in previous years, referring to the insurance companies.

11.6 Changes in deferred tax assets (recorded in equity)

(millions of euro)

	31.12.2025	Of which:			31.12.2024
		Banking group	*Insurance companies*	*Other companies*	
1. Initial amount	**1,330**	***1,295***	***35***	**-**	**1,167**
2. Increases	**153**	***152***	***1***	**-**	**492**
2.1 Deferred tax assets recognised in the period	71	*71*	-	-	393
a) related to previous years	-	-	-	-	-
b) due to changes in accounting criteria	-	-	-	-	-
c) other	*71*	*71*	-	-	*393*
2.2 New taxes or tax rate increases	-	-	-	-	-
2.3 Other increases	82	*81*	*1*	-	97
2.4 Business combinations	-	-	-	-	2
3. Decreases	**-587**	***-587***	**-**	**-**	**-329**
3.1 Deferred tax assets eliminated in the period	-425	*-425*	-	-	-198
a) reversals	*-413*	*-413*	-	-	*-189*
b) write-offs	-	-	-	-	-
c) due to changes in accounting criteria	-	-	-	-	-
d) other	*-12*	*-12*	-	-	*-9*
3.2 Tax rate reductions	-	-	-	-	-
3.3 Other decreases	-162	*-162*	-	-	-131
3.4 Business combinations	-	-	-	-	-
4. Final amount	**896**	***860***	***36***	**-**	**1,330**

Among Increases, sub-caption c) other mainly refers to deductible temporary differences arising during the year, connected with the results of financial assets measured at fair value through other comprehensive income and cash flow hedging derivatives.
Other increases mainly refer to the write-off of netting against deferred tax liabilities applied as at 31 December 2024.

Among Decreases, sub-caption a) reversals mainly refers to the elimination of deferred tax assets previously recorded in relation to the fair value measurement of cash flow hedging derivatives and financial assets measured at fair value through other comprehensive income following the adjustment of the valuation effects or the related realisation during the year.
Caption 3.3 Other decreases refers mainly to the netting against deferred tax liabilities recorded in equity during the year.

11.7 Changes in deferred tax liabilities (recorded in equity)

(millions of euro)

	31.12.2025	Of which:			31.12.2024
		Banking group	*Insurance companies*	*Other companies*	
1. Initial amount	**339**	***285***	***54***	**-**	**287**
2. Increases	**383**	***362***	***21***	**-**	**380**
2.1 Deferred tax liabilities recognised in the period	224	*224*	-	-	210
a) related to previous years	-	-	-	-	*1*
b) due to changes in accounting criteria	-	-	-	-	-
c) other	*224*	*224*	-	-	*209*
2.2 New taxes or tax rate increases	-	-	-	-	-
2.3 Other increases	159	*138*	*21*	-	155
2.4 Business combinations	-	-	-	-	15
3. Decreases	**-375**	***-375***	**-**	**-**	**-328**
3.1 Deferred tax liabilities eliminated in the period	-183	*-183*	-	-	-147
a) reversals	*-175*	*-175*	-	-	*-137*
b) due to changes in accounting criteria	-	-	-	-	-
c) other	*-8*	*-8*	-	-	*-10*
3.2 Tax rate reductions	-	-	-	-	-
3.3 Other decreases	-192	*-192*	-	-	-181
3.4 Business combinations	-	-	-	-	-
4. Final amount	**347**	***272***	***75***	**-**	**339**

Increases, sub-caption c) other refers to taxable temporary differences arising during the year connected with the measurement of financial assets measured at fair value through other comprehensive income as well as the fair value measurement of property and equipment and cash flow hedging derivatives.
Other increases mainly consist of the write-off of netting against deferred tax assets applied as at 31 December 2024.

Among Decreases, sub-caption a) reversals refers to the discharge of deferred tax liabilities previously recorded in relation to the valuation of financial assets measured at fair value through other comprehensive income and cash flow hedging derivatives.
Caption 3.3 Other decreases mainly relates to the netting against deferred tax assets through profit or loss for the year.

As indicated in the accounting policies, with regard to current and deferred taxation, no provision is made in the financial statements for reserves subject to latent taxation only in the event of distribution, since the size of the available reserves which have already been taxed leads to the belief that the Bank will not undertake any transactions which may cause taxation of those untaxed reserves.

Probability test on deferred taxation

IAS 12 requires for deferred tax assets and liabilities to be recognised according to the following criteria:

– a deferred tax liability (or DTL) must be recognised, as a general rule, for all taxable temporary differences;
– a deferred tax asset (or DTA) must be recognised for all deductible temporary differences to the extent that it is probable that taxable income will be earned that can offset the deductible temporary differences. Deferred tax assets not recognised in the past - inasmuch as the conditions for their recognition were not met - are recognised during the year in which those conditions arise.

Deferred tax assets are then divided into "eligible" deferred tax assets and "ineligible" deferred tax assets.

For the former, as illustrated in greater detail hereinafter, the regulations set out a specific mechanism for conversion into tax credits which legitimises, in and of itself, their recognition in the financial statements.

Instead, the book value of "ineligible" deferred tax assets must be tested to determine whether it is likely that taxable income will be earned in the future that will ensure their recovery (probability test).

"Eligible" deferred tax assets amounted to 4,270 million euro, while "ineligible" deferred tax assets subjected to the probability test amounted to 6,209 million euro (joined by 2,016 million euro in deferred tax liabilities).

The probability test on the "ineligible" deferred tax assets carried in the 2025 Financial Statements separately regarded, due to the different conditions of use of the underlying temporary differences and similarly to the previous years, the following cases:

– IRES deferred tax assets recognised in relation to previous tax losses. In particular, these were deferred tax assets relating to the tax losses of Intesa Sanpaolo and the merged companies (mainly generated by the former Venetian banks and by the companies in the former UBI Banca Group);
– other deferred tax assets triggered by deductible temporary differences for IRES tax purposes, arising at the Group companies included in the consolidated financial statements ("Other deferred tax assets - IRES");
– deferred tax assets triggered by deductible temporary differences for IRAP tax purposes ("Deferred tax assets - IRAP").

In the 2025 Financial Statements, deferred tax assets relating to tax losses carried forward of the parent company Intesa Sanpaolo were recognised for a total of 2,252 million euro, of which 1,615 million euro equal to the base IRES tax rate of 24% and 637 million euro to the additional IRES tax rate of 3.5%. That amount is already net of (i) the benefit deriving from the transformation into tax credits of a total of 220 million euro (of which 110 million euro referring to 2020 and 110 million euro referring to 2021) in deferred tax assets relating to tax losses, due to the sales, carried out by 31 December 2020 and 31 December 2021, respectively, of non-performing loans pursuant to Art. 55 of Decree Law no. 18/2020 ("Cura Italia" Decree), and Art 19 of Decree Law no. 73/2021 ("Sostegni bis" Decree); (ii) the amount used to offset the taxable income relating to the tax period 2025 (759 million euro).

The probability test on the deferred tax assets relating to the tax losses was conducted considering the individual position of Intesa Sanpaolo.

The possibility of use on an exclusively individual basis by Intesa Sanpaolo derives: (i) for the losses of the former Venetian banks, from the regulations that set out the transfer (Art. 7, paragraph 3 of Decree Law no. 99/2017, converted with amendments by Law no. 121/2017, and Art. 15 of Decree Law no. 18/2016) at the time of the purchase of the business lines of Banca Popolare di Vicenza and Veneto Banca (in 2017) and the subsequent merger of their former subsidiaries Banca Nuova and Banca Apulia (effective on 1 January 2018 and 1 January 2019, respectively); (ii) for the losses of UBI Banca and the other companies of the former UBI Banca Group incorporated into Intesa Sanpaolo, from the incorporation of those companies into Intesa Sanpaolo during 2021 and 2022; and (iii) for the tax losses of the other companies incorporated by Intesa Sanpaolo from the aforementioned incorporations carried out from time to time.

For the purposes of the probability test, the income prospects of Intesa Sanpaolo were estimated, in line with the choices made for the 2024 Financial Statements, over a time frame of 5 financial years, i.e. the five-year period 2026-2030: for the years from 2026 to 2029, using the income projections deriving from the new Business Plan 2026-2029 ("Plan) approved by the Board of Directors on 2 February 2026. For 2030, in line with the time horizon assumed for the purposes of impairment testing on goodwill, on the basis of internal forecasts relating to the macroeconomic scenario, and in line with the evolution of the income statement and financial position amounts expected for 2029, which reflect the managerial actions defined in the Plan. For financial years after 2030, it was prudently assumed that the gross profit will remain constant, i.e. at the level estimated for the year 2030 (and therefore without taking into account a growth rate 'g'). Based on the analyses conducted, total absorption of the deferred tax assets in question could be achieved over a time horizon deemed compatible with the "probability" of recovery required by IAS 12.

In order to achieve a higher degree of confidence regarding the recognition of deferred tax assets relating to losses carried forward, the following scenarios have also been considered: (i) a 'base' scenario with a sensitivity analysis based on a 10% reduction in the tax bases for the financial years 2031 and beyond, which are not covered by analytical forecasts, as well as (ii) a scenario consistent with the 'adverse' scenario incorporated into the Expected Credit Loss models used for the measurement of loans in accordance with IFRS 9.

Based on the analyses conducted, also in those adverse scenarios, total absorption of the deferred tax assets in question could be achieved over a time horizon deemed compatible with the "probability" of recovery required by IAS 12.

In conducting the probability test for the Other deferred tax assets - IRES and the Deferred tax assets - IRAP carried in the Group's Financial Statements as at 31 December 2025, deferred tax assets arising from temporary deductible differences associated with impairment losses on loans (other than those deriving from the first-time adoption of the IFRS 9; see below), as well as - if recognised within 2014 – from goodwill and other intangible assets with indefinite useful lives[361] ("eligible deferred tax assets" and "eligible temporary differences"), were considered separately from others. In this regard, it bears noting that, effective from the tax period ended 31 December 2011, deferred tax assets (for corporate income tax or IRES) recognised to account for tax losses due to the deferred deduction of "eligible" temporary differences are eligible for conversion into tax credits (article 2, paragraph 56-bis, of Decree Law 225 of 29 December 2010, introduced by article 9 of Decree Law 201 of 6 December 2011). Effective from the 2013 tax period, a similar conversion is allowed where the regional business tax (IRAP) return shows a negative net production value also in relation to IRAP deferred tax assets that pertain to "eligible" temporary differences that

[361] With art. 17 of Decree Law 83 of 27 June 2015, the convertibility into tax credits was excluded (for any reason provided for by Decree Law 225 of 29 December 2010) of the deferred tax assets relating "to the value of the goodwill and the other intangible assets entered for the first time starting from the financial statements relating to the year underway at the date the provision comes into force", i.e. starting from 2015.

have contributed to determining the negative net production value (article 2, paragraph 56-bis.1, of Decree Law 225 of 29 December 2010, introduced by Law 147/2013). The above convertibility forms – which are in addition to that already envisaged for cases in which the separate financial statements show a loss for the year (article 2, paragraphs 55 and 56, of Decree Law 225/2010, as most recently amended by Law 147/2013) – provide an additional, supplementary recovery method suited to ensuring the recovery of "eligible" deferred tax assets in all situations, regardless of the company's future profitability. If in a given year there are surplus "eligible" temporary differences with respect to taxable income or net production value, the recovery of deferred tax assets takes the form not of a decrease in current taxes, but of the recognition of deferred tax assets on the tax loss or the negative net production value, convertible into tax credits pursuant to Art. 2, paragraphs 56-bis and 56-bis.1, of Decree Law 225/2010. The convertibility of deferred tax assets on tax losses and negative net production values that result from eligible temporary differences is therefore a suitable and sufficient condition for the recognition of "eligible" deferred tax assets, making it possible to exclude them from the area of application of the probability test.
A limit to the straight convertibility of "eligible" deferred tax assets was introduced by art. 11 of Decree Law 59 of 3 May 2016, amended by Decree Law 237 of 23 December 2016, which subordinated the transformation into tax credits of the eligible deferred tax assets which were not matched by an actual prepayment of taxes (so-called "type 2 DTA") to the payment of an annual fee, equal to 1.5% of their overall value, for the years 2016-2030. Instead, no fee is due for the transformation into tax credits of the "eligible" deferred tax assets which were matched by an actual prepayment of greater taxes ("type 1 DTA"). Considering that the "eligible" deferred tax assets recognised by the Companies that are part of the fiscal consolidation of Intesa Sanpaolo, as well as those included in the Parent Company's financial statements following the acquisition of the business lines of the former Venetian Banks and, most recently, those of the former UBI Banca Group are all "type 1 DTA", the Group is not currently concretely required to pay this fee.
Article 1, paragraphs 1067 and 1068 of the 2019 Budget Act (Law 145 of 30 December 2018) envisage the deductibility (both for IRES and IRAP purposes) over ten tax periods, starting from the one under way as at 31 December 2018, of the adjustments to loans to customers recognised in the financial statements of banks and financial institutions on first-time adoption of IFRS 9[362]. According to that clarified in the Explanatory Report on the Measure, deferred tax assets recognised in financial statements in relation to the deferral of said deduction cannot be converted into tax credits based on the aforementioned provisions of Decree Law no. 225/2010. Therefore, those taxes must be subject to the probability test.
That being said, the following is noted with regard to the Other deferred tax assets – IRES.
In the consolidated financial statements as at 31 December 2025 (and in the separate and consolidated financial statements of Eurizon Capital), deferred tax assets amounting to 355 million euro ("New Eurizon DTAs") were recognised for the first time, relating to a portion – estimated on an extremely prudential basis – of the IRES (corporate income tax) benefit deriving from the deductibility of the goodwill ("Goodwill") of Eurizon Capital S.A. ("ECSA"). The following is worth noting in that regard. ECSA was merged by incorporation into Eurizon Capital S.p.A. ("Eurizon") with legal, accounting and tax effects on 1 December 2025. Following the operation, ECSA's assets and liabilities were transferred to a newly-established Luxembourg permanent establishment of Eurizon ("SO Lux").
The merger was recorded in the separate and consolidated financial statements of Eurizon (and in the consolidated financial statements of Intesa Sanpaolo) by applying book value accounting, as transactions between entities under common control, recognising the assets and liabilities of ECSA at the same book values at which they were recognised in the accounts of the merged entity.
As at the effective date of the merger, the carrying amounts of ECSA's assets and liabilities correspond to their fair values, with the exception of goodwill ("Goodwill"), which is not recognised in either ECSA's separate financial statements prior to the Merger or in Eurizon's separate financial statements following the Merger, due to the operation being accounted for applying book value accounting. Likewise, the Goodwill is not recognised in the consolidated financial statements of the Intesa Sanpaolo Group either before or after the merger.
In terms of taxation, applying the provisions of Article 166-*bis* of Italian Presidential Decree no. 917/1986 ("the Income Tax Code"), the merger resulted in the tax recognition of the market value ("Entry Values") of the assets and liabilities of the merged company, including the Goodwill attributable to it.
On 30 July 2025, Eurizon submitted an application to the Italian Revenue Agency to initiate the procedure for concluding a unilateral advance pricing arrangement pursuant to the combined provisions of Article 166-bis of the Income Tax Code, and Article 31-ter, paragraph 1, letter a) of Italian Presidential Decree No. 600/1973 ("Advance Pricing Arrangement" or "APA"), with a view to defining in advance the values of assets transferred from Luxembourg to Italy and, consequently, the value of Goodwill. The application was declared admissible on 25 August 2025 and the APA procedure with the Italian Revenue Agency is still ongoing.
The tax value of the Goodwill, which will be precisely defined in the agreement to be concluded with the Italian Revenue Agency following the aforementioned APA procedure, will be deductible for IRES (corporate income tax) purposes over 18 tax years, starting from the tax year in which the merger is completed (2025). The resulting tax benefit will be calculated on the basis of the 24% IRES tax rate applicable to the merging company, Eurizon. No tax relief is granted for IRAP (regional production tax) purposes, given the outcome of a previous ruling concerning the Group.
In view of the above, the conditions were met to recognise in Eurizon's separate and consolidated financial statements as at 31 December 2025, and in the consolidated financial statements of the Intesa Sanpaolo Group, at least a portion – estimated on an extremely prudential basis – of the IRES benefit to be derived from the tax-only deduction of goodwill, amounting, as stated, to 355 million euro.
The probability test on other deferred tax assets - IRES was carried out as follows:
– identifying the "Other deferred tax assets - IRES", i.e. those not relating to the tax losses of Intesa Sanpaolo, which were subject to a specific test to determine whether they could be recognised in the financial statements (see above);
– identifying "ineligible" deferred tax assets among other deferred tax assets, as they cannot be converted into tax credits (see above);
– analysing such "ineligible" deferred tax assets and deferred tax liabilities carried in the consolidated financial statements, distinguishing them by causal relationship and by foreseeable recovery timing;

[362] The ten-year instalment period, which should have originally concluded in 2027, was extended to 2029 by the measures set out in the 2020 Budget Act (Law no. 160 of 27 December 2019) and the 2025 Budget Act (Law no. 207 of 30 December 2024).

– provisionally determining the amount of the Group's future taxable income in order to verify its ability to recover the "ineligible" "other deferred tax assets - IRES". The estimate of future taxable income was made, for the years 2026-2030, using the same database used for the impairment test on intangibles in the 2025 Financial Statements (see above). For the subsequent years, an overhang of the forecasts was cautiously assumed, without considering a growth rate "g".

The analysis conducted indicated an IRES taxable base that was sufficient and adequate to allow recovery of the deferred tax assets relating to IRES carried in the financial statements as at 31 December 2025.

Also for "deferred tax assets - IRAP", the probability test was conducted analytically, referring only to the "ineligible" deferred tax assets (for those that can be converted into tax credits, as stated, the prospective certain use based on the cases of conversion into tax credits set out in paragraphs 56-bis and 56-bis.1 of Art. 2 of Decree Law 225/2010, effectively constitutes a sufficient prerequisite for recognition in the financial statements, implicitly passing the related probability test). The test was conducted by comparing the estimated forecast taxable income for IRAP purposes of Intesa Sanpaolo, estimated on the basis of the same forecast data assumed in carrying out the probability test on tax losses, with the cancelled ineligible temporary differences found as at 31 December 2025 and resulting in the residual IRAP taxable base for each year.

Considering that, for IRAP purposes, different from that set out for IRES tax losses, there is no carrying forward of tax losses or the possibility of offsetting them as part of tax consolidation, if in one or more years the residual taxable base is negative, for example, the deferred tax assets - IRAP that can be recognised in the financial statements should be limited to only the amounts of the temporary differences that can be recovered in each year considered.

The calculations performed resulted in a positive residual IRAP taxable base in each of the years included in the reference time horizon of the test.

In support of the positive results of the probability test on the DTAs recognised for each of the above categories, please note that:

– Intesa Sanpaolo's results show a steady improvement, as shown by the comparison with the financial statements of the last few years, confirming Intesa Sanpaolo's solid track record of profitability;
– the forecast data from 2026 onwards on which the estimate is based also prudently reflect, as already mentioned, unfavourable scenarios compared to the baseline scenario;
– all scenarios, including the adverse one described earlier, during the period covered by the forecasts, show an improvement in Intesa Sanpaolo's taxable profit;
– for the purposes of additional prudence, when performing the probability test, the taxable profit for the years where no specific estimate of future profits is available, even when there is a trend of growth in profits, is assumed to be equal (i.e. not increasing with respect) to the taxable profit of the last year covered by the forecasts;
– in any event, the future earnings estimates used for the probability test are updated at least annually to take account of intervening changes in the market scenarios;
– under the current Italian regulations, tax losses can be carried forward without time limits (Article 84, Income Tax Code);
– the negative taxable income arising in the past does not derive from a natural "inability" to generate taxable income, but rather from some rules specific to the Italian tax system, which resulted in deferred tax assets whose reversals penalised and will continue to penalise (but only up to 2029) the taxable income (accrual of adjustments to loans not deducted until 2014; accrual of expected credit losses on loans to customers recognised as a result the IFRS 9 FTA; and repeated deferral of the start of the recovery period for goodwill realigned for payment);
– almost all the deferred tax assets on tax losses relate to the entities acquired by Intesa Sanpaolo and arose prior to the acquisition by Intesa Sanpaolo.

Therefore, the prospects for recovery resulting from the estimates are considered to meet the "probability of recovery" requirement of IAS 12.

11.8 Other information

Current tax liabilities: breakdown

The liabilities for current tax (865 million euro) include the cost, amounting to 570 million euro, relating to the one-off levy to the Net income reserve pursuant to Law 136 of 9/10/2023, envisaged by Article 1, paragraphs 69-72 of Law No. 199 of 30 December 2025 (see the Accounting policies of these Notes for the more details).

SECTION 12 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS AND RELATED LIABILITIES - CAPTION 120 OF ASSETS AND 70 OF LIABILITIES

12.1 Non-current assets held for sale and discontinued operations: breakdown by type of asset

(millions of euro)

Captions	31.12.2025	31.12.2024
A. Non-current assets held for sale		
A.1 Financial assets	500	42
A.2 Investments in associates and companies subject to joint control	-	50
A.3 Property and equipment	565	575
of which: resulting from the enforcement of guarantees	*14*	*15*
A.4 Intangible assets	-	-
A.5 Other	-	-
Total A	**1,065**	**667**
of which measured at cost	***513***	***91***
of which Fair value level 1	***-***	***-***
of which Fair value level 2	***-***	***-***
of which Fair value level 3	***552***	***576***
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	-	-
B.4 Investments in associates and companies subject to joint control	-	-
B.5 Property and equipment	-	-
of which: resulting from the enforcement of guarantees	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total B	**-**	**-**
of which measured at cost	***-***	***-***
of which Fair value level 1	***-***	***-***
of which Fair value level 2	***-***	***-***
of which Fair value level 3	***-***	***-***
C. Liabilities associated with non current assets held for sale		
C.1 Debts	-	-
C.2 Securities	-	-
C.3 Other	-45	-5
Total C	**-45**	**-5**
of which measured at cost	***-45***	***-5***
of which Fair value level 1	***-***	***-***
of which Fair value level 2	***-***	***-***
of which Fair value level 3	***-***	***-***
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 Allowances	-	-
D.5 Other	-	-
Total D	**-**	**-**
of which measured at cost	***-***	***-***
of which Fair value level 1	***-***	***-***
of which Fair value level 2	***-***	***-***
of which Fair value level 3	***-***	***-***

The table above contains assets and related liabilities which no longer refer to continuing operations as they are being disposed of.

Captions A.1 Financial assets and C.3 Other liabilities consist of non-performing loans which will be disposed of as part of operations planned for 2026.
That amount compares with the 42 million euro recognised as at 31 December 2024, which included non-performing loans, which were sold during 2025.

Caption A.2 has a zero balance following the completion of the demerger of the business line of Cronos Vita Assicurazioni to Fideuram Vita.

Caption A.3 Property and equipment comprises an operation of contribution to the Coima Funds of real estate assets for 506 million euro deriving from Intesa Sanpaolo S.p.A., an additional 21 million euro from Immit – Immobili Italiani S.r.l., and from single properties held for sale for 38 million euro.

12.2 Other information

There is no other information to be noted in addition to the above.

SECTION 13 – OTHER ASSETS – CAPTION 130

13.1 Other assets: breakdown

(millions of euro)

Captions		
Amounts to tax authorities		21,366
Amounts to be credited and items under processing		837
Cheques and other instruments held		363
Leasehold improvements		127
Transit items		17
Other		4,588
TOTAL	**31.12.2025**	**27,298**
TOTAL	**31.12.2024**	**33,739**

The sub-caption Amounts due from tax authorities includes 15.8 billion euro in tax credits acquired from customers, of which 8.2 billion euro under the Hold to Collect business model, around 2 billion euro under the Hold to Collect and Sell business model and 5.6 billion euro under the Other/Trading business model.

The sub-caption “Other” includes the following main components: (i) prepayments and accrued income not reallocated of 364 million euro; (ii) costs incurred to obtain and execute contracts with customers for an amount of 822 million euro, mainly referring to costs for bonuses capitalised by Fideuram – Intesa Sanpaolo Private Banking (and, therefore, subject to amortisation for 103 million euro); and (iii) pursuant to paragraphs 116 and following of IFRS 15, operating loans and receivables, i.e. loans for operations connected with the provision of non-financial activities and services, amounting to 91 million euro.

LIABILITIES

SECTION 1 – FINANCIAL LIABILITIES MEASURED AT AMORTISED COST – CAPTION 10

1.1 Financial liabilities measured at amortised cost: breakdown of amounts due to banks

(millions of euro)

Transaction type/Amount	31.12.2025				31.12.2024			
	Book value	Fair value			Book value	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
1. Due to central banks	**3,792**	**X**	**X**	**X**	**1,231**	**X**	**X**	**X**
2. Due to banks	**53,923**	**X**	**X**	**X**	**44,563**	**X**	**X**	**X**
2.1 Current accounts and on demand deposits	3,723	X	X	X	4,546	X	X	X
2.2 Time deposits	2,996	X	X	X	3,127	X	X	X
2.3 Loans	41,937	X	X	X	28,102	X	X	X
2.3.1 Repurchase agreements	*37,538*	*X*	*X*	*X*	*23,067*	*X*	*X*	*X*
2.3.2 Other	*4,399*	*X*	*X*	*X*	*5,035*	*X*	*X*	*X*
2.4 Debts for commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
2.5 Lease liabilities	2	X	X	X	3	X	X	X
2.6 Other debts	5,265	X	X	X	8,785	X	X	X
Total	**57,715**	**-**	**44,448**	**13,229**	**45,794**	**-**	**33,581**	**12,139**

The illustration of the criteria used to determine the fair value is contained in Part A – Accounting policies.

The total amount of Financial liabilities measured at amortised cost – due to banks as at 31 December 2025 of 57,715 million euro (45,794 million euro as at 31 December 2024) consisted of 56,534 million euro attributable to the "Banking Group", 997 million euro to the "Insurance Companies", and 184 million euro to "Other Companies"; as at 31 December 2024 these amounts were 44,944 million euro, 710 million euro and 140 million euro respectively.

Repurchase agreements related to assets sold not derecognised are detailed in Part E – Section D – Sales of the Notes to the financial statements.
The Group's repurchase agreements shown in the table include long-term repurchase agreements with a total carrying amount of 200 million euro, attributable to Fideuram – Intesa Sanpaolo Private Banking for de-risking transactions completed in previous years with the twofold aim of both funding the bank's operations (through repurchase transactions) and reducing the credit risks associated with the portfolio of securities issued (also through the acquisition of financial guarantees for 50 million euro). The transactions have a non-replaceable underlying portfolio of Italian government bonds (with maturities from 2031 to 2033) fully hedged against interest rate risk through interest rate swap contracts and partially hedged against credit risk through credit default swap contracts, already recorded in the financial statements at the time of execution of the repurchase transactions and recognised under financial assets measured at amortised cost. The nominal value and the maturity date of the repurchase agreements are the same as that of the securities.
For recognition purposes, an assessment was conducted aimed at understanding the purpose underlying the contractual agreements, taking into account the instructions provided by the Supervisory Authorities in Bank of Italy/Consob/IVASS Document No. 6 of 8 March 2013, "Accounting treatment of 'long-term structured repurchase agreements'."
The analysis focused on the structure, cash flows and risks associated with the transactions and was aimed at verifying whether the cases described above were similar to the long-term structured repurchase agreements described in the above Document, and, in order to be compliant with the principle of the prevalence of substance over form, whether the indicators referred in paragraph B.6 of the Guidance on Implementing IFRS 9, according to which the transaction may be considered substantially similar to a credit derivative contract, and, in particular, a credit default swap, were present.
The case described above consists of repurchase agreements that are not concurrent with the purchases of the securities, because they were already present in the portfolio. In addition, buying securities and entering into the related hedging derivatives occurred with market counterparties other than those with which the repurchase agreements were entered into.
The credit risk was also partially closed with financial guarantees.
Consequently, the analysis shows elements of differentiation from the long-term structured repurchase agreements described in the aforementioned Document, supporting the inapplicability of the guidelines provided in paragraph B.6 of the Guidance on Implementing IFRS 9, with the result that the transactions must be recognised in the financial statements with the individual contractual components shown separately.

1.2 Financial liabilities measured at amortised cost: breakdown of amounts due to customers

(millions of euro)

Transaction type/Amount	31.12.2025				31.12.2024			
	Book value	Fair value			Book value	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
1. Current accounts and on demand deposits	**369,117**	**X**	**X**	**X**	**360,537**	**X**	**X**	**X**
2. Time deposits	**39,553**	**X**	**X**	**X**	**48,502**	**X**	**X**	**X**
3. Loans	**38,314**	**X**	**X**	**X**	**22,094**	**X**	**X**	**X**
3.1 Repurchase agreements	31,115	X	X	X	15,642	X	X	X
3.2 Other	7,199	X	X	X	6,452	X	X	X
4. Debts for commitments to repurchase own equity instruments	**123**	**X**	**X**	**X**	**183**	**X**	**X**	**X**
5. Lease liabilities	**1,051**	**X**	**X**	**X**	**1,094**	**X**	**X**	**X**
6. Other debts	**18,222**	**X**	**X**	**X**	**11,047**	**X**	**X**	**X**
Total	**466,380**	**-**	**439,173**	**26,877**	**443,457**	**-**	**414,134**	**29,102**

The total amount of Financial liabilities measured at amortised cost – due to customers as at 31 December 2025 of 466,380 million euro (443,457 million euro as at 31 December 2024) consisted of 466,259 million euro attributable to the "Banking Group", 119 million euro to the "Insurance Companies", and 2 million euro to "Other Companies"; as at 31 December 2024 these amounts were 443,339 million euro for the "Banking Group" and 118 million euro for "Insurance Companies".
Repurchase agreements related to financial assets sold not derecognised are detailed in Part E – Section D Sales of the Notes to the financial statements.
As at 31 December 2025, the figure for Financial liabilities measured at amortised cost - amounts due to customers - included around 19 billion euro (of which 0.2 billion euro of current accounts, 12.5 billion euro of repurchase agreements and 6.3 billion euro of other payables) relating to an institutional customer which returned its banking licence, previously classified under amounts due to banks.

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

(millions of euro)

Transaction type/Amount	31.12.2025				31.12.2024			
	Book value	Fair value			Book value	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
A. Securities								
1. bonds	81,324	52,676	31,306	-	92,793	58,993	35,831	-
1.1 structured	*738*	*225*	*517*	-	*852*	*182*	*697*	-
1.2 other	*80,586*	*52,451*	*30,789*	-	*91,941*	*58,811*	*35,134*	-
2. other	18,025	-	16,707	1,318	17,576	-	16,406	1,170
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	*18,025*	-	*16,707*	*1,318*	*17,576*	-	*16,406*	*1,170*
Total	**99,349**	**52,676**	**48,013**	**1,318**	**110,369**	**58,993**	**52,237**	**1,170**

The total amount of the Financial liabilities measured at amortised cost – securities issued as at 31 December 2025 of 99,349 million euro (110,369 million euro as at 31 December 2024) consisted of 98,289 million euro attributable to the "Banking Group", 1,041 million euro to the "Insurance Companies", and 19 million euro to "Other Companies". As at 31 December 2024 these amounts were 109,764 million euro, 587 million euro and 18 million euro, respectively.

1.4 Details of subordinated debts/securities

As at 31 December 2025 subordinated debts amounted to 609 million euro, entirely attributable to the Insurance Companies, and in particular to Intesa Sanpaolo Assicurazioni.
As at the reporting date, subordinated securities issued amounted to 13,287 million euro, of which 12,197 million euro attributable to the Parent Company and 1,090 million euro to the Insurance Companies.

1.5 Details of structured debts

As at 31 December 2025 there were no structured debts.

1.6 Lease payables

As at 31 December 2025 lease payables amounted to 1,053 million euro, of which 233 million euro maturing within one year, 559 million euro maturing within 1 to 5 years and 261 million euro maturing in over 5 years.
Lease payables comprise 1,051 million euro referring to customer counterparties and 2 million euro to bank counterparties.

SECTION 2 – FINANCIAL LIABILITIES HELD FOR TRADING – CAPTION 20

2.1 Financial liabilities held for trading: breakdown

(millions of euro)

Transaction type/Amount	31.12.2025					31.12.2024				
	Nominal or notional amount	Fair value			Fair value (*)	Nominal or notional amount	Fair value			Fair value (*)
		Level 1	Level 2	Level 3			Level1	Level 2	Level 3	
A. Cash liabilities										
1. Due to banks	**2,735**	**2,737**	**-**	**-**	**2,737**	**4,276**	**4,321**	**15**	**-**	**4,336**
2. Due to customers	**2,915**	**2,826**	**69**	**-**	**2,895**	**2,953**	**2,254**	**673**	**-**	**2,928**
3. Debt securities	**706**	**-**	**728**	**-**	**X**	**1,431**	**-**	**1,392**	**-**	**X**
3.1 Bonds	-	-	-	-	X	-	-	-	-	X
3.1.1 Structured	-	-	-	-	*X*	-	-	-	-	*X*
3.1.2 Other bonds	-	-	-	-	*X*	-	-	-	-	*X*
3.2 Other	706	-	728	-	X	1,431	-	1,392	-	X
3.2.1 Structured	*706*	-	*728*	-	*X*	*1,431*	-	*1,392*	-	*X*
3.2.2 Other	-	-	-	-	*X*	-	-	-	-	*X*
Total A	**6,356**	**5,563**	**797**	**-**	**5,632**	**8,660**	**6,575**	**2,080**	**-**	**7,264**
B. Derivatives										
1. Financial derivatives	**X**	**771**	**27,352**	**3**	**X**	**X**	**315**	**30,849**	**10**	**X**
1.1 Trading	X	771	27,335	3	X	X	315	30,837	10	X
1.2 Fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	17	-	X	X	-	12	-	X
2. Credit derivatives	**X**	**-**	**5,170**	**-**	**X**	**X**	**-**	**3,053**	**-**	**X**
2.1 Trading	X	-	5,170	-	X	X	-	3,053	-	X
2.2 Fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total B	**X**	**771**	**32,522**	**3**	**X**	**X**	**315**	**33,902**	**10**	**X**
Total (A+B)	**6,356**	**6,334**	**33,319**	**3**	**X**	**8,660**	**6,890**	**35,982**	**10**	**X**

(*) Fair value calculated excluding changes in creditworthiness of the issuer after issue date.

The total amount of Financial liabilities held for trading as at 31 December 2025 of 39,656 million euro (42,882 million euro as at 31 December 2024) consisted of 39,648 million euro attributable to the “Banking Group” and 8 million euro to the “Insurance Companies”. As at 31 December 2024 those amounts consisted of 42,866 million euro attributable to the “Banking Group” and 16 million euro to the “Insurance Companies”.
Amounts due to banks and customers consist entirely of short selling of securities.
The aggregate 3.2.1 Other structured securities consists entirely of securitised derivatives (certificates) which provide for partial or full redemption of the premiums paid on maturity, pursuant to Bank of Italy Communication of 21 October 2014, issued by the Group throughout 2019.
Derivative instruments include 8,756 million euro in certificates with characteristics similar to financial derivative instruments due to the prevalence of market risks in relation to the return of the premiums paid.
The changes in fair value recorded during the year due to the change in its own credit rating were negative by 16 million euro and related to Derivatives and Debt securities – Other.
The values of Derivative Instruments as at 31 December 2025 include the results of the offsetting of gross positive and negative balances of the trading derivatives together with those of the hedging derivatives undertaken with the legal clearing agent LCH Ltd., as they meet the requirements set out in IAS 32, paragraph 42.

2.2 Breakdown of “Financial liabilities held for trading”: subordinated liabilities

The aggregate Financial liabilities held for trading includes subordinated liabilities represented by Due to banks for 394 million euro and Due to customers for 101 million euro.

2.3 Breakdown of “Financial liabilities held for trading”: structured debts

As at 31 December 2025, structured debts classified under Financial liabilities held for trading amounted to 36 million euro due to customers and 104 million euro due to banks, attributable to 127 million euro of short selling of fixed-rate bonds indexed to inflation, as an additional component, and 13 million euro of short-selling of convertible bonds.

SECTION 3 – FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE – CAPTION 30

3.1 Financial liabilities designated at fair value: breakdown

(millions of euro)

Transaction type/Amount	31.12.2025					31.12.2024				
	Nominal value	Fair value			Fair value (*)	Nominal value	Fair value			Fair value (*)
		Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
1. Due to banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	*X*	*X*	*X*	*X*	-	*X*	*X*	*X*	*X*
- financial guarantees given	-	*X*	*X*	*X*	*X*	-	*X*	*X*	*X*	*X*
2. Due to customers	**49,190**	**-**	**49,190**	**-**	**49,190**	**50,652**	**-**	**50,651**	**-**	**50,651**
2.1 Structured	6	-	6	-	X	6	-	5	-	X
2.2 Other	49,184	-	49,184	-	X	50,646	-	50,646	-	X
of which:										
- commitments to disburse funds	-	*X*	*X*	*X*	*X*	-	*X*	*X*	*X*	*X*
- financial guarantees given	-	*X*	*X*	*X*	*X*	-	*X*	*X*	*X*	*X*
3. Debt securities	**26,666**	**3,539**	**23,616**	**35**	**26,860**	**23,404**	**1,488**	**21,868**	**76**	**23,159**
3.1 Structured	26,666	3,539	23,616	35	X	23,404	1,488	21,868	76	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	**75,856**	**3,539**	**72,806**	**35**	**76,050**	**74,056**	**1,488**	**72,519**	**76**	**73,810**

(*) Fair value calculated excluding changes in creditworthiness of the issuer after issue date.

The total amount of the Financial liabilities designated at fair value as at 31 December 2025 of 76,380 million euro (74,083 million euro as at 31 December 2024) consisted of 27,196 million euro attributable to the “Banking Group” and 49,184 million euro to the “Insurance Companies”.

The Group has classified the LECOIP 3.0 for the employment agreements, terminated early, of employees of Group companies and life policies connected to social initiatives, managed by the Bank based on fair value, under Amounts due to customers.

Sub-caption 3.1 Debt securities – Structured comprised certificates which provide for partial or full redemption of the premiums paid on maturity, pursuant to Bank of Italy Communication of 21 October 2014 (certificates with guaranteed or protected capital). As they were issued after 1 January 2020, these are classified under Financial liabilities designated at fair value (Fair Value Option), as a result of the Bank’s implementation of a business model based on a banking book approach, with the goal of generating stable inflows.
Certificates representing Financial liabilities designated at fair value record the related changes in fair value attributable to changes in own credit risk in the Statement of comprehensive income (shareholders’ equity). Changes in the Bank’s own credit rating during the year were negative by 57 million euro.

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

(millions of euro)

Transaction type/Amount	31.12.2025					31.12.2024				
	Nominal value	Fair value			Fair value (*)	Nominal value	Fair value			Fair value (*)
		Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
1. Due to banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
2. Due to customers	**6**	**-**	**6**	**-**	**6**	**6**	**-**	**5**	**-**	**5**
2.1 Structured	6	-	6	-	X	6	-	5	-	X
2.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
3. Debt securities	**26,666**	**3,539**	**23,616**	**35**	**26,860**	**23,404**	**1,488**	**21,868**	**76**	**23,159**
3.1 Structured	26,666	3,539	23,616	35	X	23,404	1,488	21,868	76	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	**26,672**	**3,539**	**23,622**	**35**	**26,866**	**23,410**	**1,488**	**21,873**	**76**	**23,164**

(*) Fair value calculated excluding changes in creditworthiness of the issuer after issue date.

3.1 Financial liabilities designated at fair value: breakdown (of which: Insurance Companies)

(millions of euro)

Transaction type/Amount	31.12.2025					31.12.2024				
	Nominal value	Fair value			Fair value (*)	Nominal value	Fair value			Fair value (*)
		Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
1. Due to banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
2. Due to customers	**49,184**	**-**	**49,184**	**-**	**49,184**	**50,646**	**-**	**50,646**	**-**	**50,646**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	49,184	-	49,184	-	X	50,646	-	50,646	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
3. Debt securities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	**49,184**	**-**	**49,184**	**-**	**49,184**	**50,646**	**-**	**50,646**	**-**	**50,646**

(*) Fair value calculated excluding changes in creditworthiness of the issuer after issue date.

3.2 Breakdown of "Financial liabilities designated at fair value": subordinated liabilities

As at 31 December 2025, the Group did not have any subordinated liabilities classified under Financial liabilities designated at fair value.

SECTION 4 – HEDGING DERIVATIVES – CAPTION 40

4.1 Hedging derivatives: breakdown by type of hedge and level

(millions of euro)

	31.12.2025			Notional value	31.12.2024			Notional value
	Fair value				Fair value			
	Level 1	Level 2	Level 3	31.12.2025	Level 1	Level 2	Level 3	31.12.2024
A. Financial derivatives	**-**	**2,695**	**-**	**181,042**	**-**	**4,410**	**-**	**210,950**
1) Fair value	-	2,602	-	176,559	-	4,315	-	204,427
2) Cash flows	-	93	-	4,483	-	95	-	6,523
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**2,695**	**-**	**181,042**	**-**	**4,410**	**-**	**210,950**

The total amount of the hedging derivatives as at 31 December 2025 of 2,695 million euro (4,410 million euro as at 31 December 2024) consisted of 2,641 million euro for the "Banking Group" and 54 million euro for the "Insurance Companies". As at 31 December 2024, those amounts were 4,363 million euro and 47 million euro respectively.

As the gross negative fair value of Hedging derivatives implemented with the legal clearing agent LCH Ltd. meets the requirements set out for offsetting between gross positive and negative balances pursuant to IAS 32, paragraph 42, it was subject to offsetting, with recognition of the net fair value under Financial liabilities held for trading.

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

(millions of euro)

Transactions/Type of hedge	FAIR VALUE						CASH FLOW			FOREIGN INVESTM.
	Specific						Generic	Specific	Generic	
	debt securities and interest rates	equities and stock indices	foreign exchange rates and gold	credit risk	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	345	-	-	-	X	X	X	54	X	X
2. Financial assets measured at amortised cost	765	X	150	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	161	X	11	X
4. Other transactions	-	-	5	-	-	-	X	-	X	-
Total assets	**1,110**	**-**	**155**	**-**	**-**	**-**	**161**	**54**	**11**	**-**
1. Financial liabilities	107	X	359	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	710	X	27	X
Total liabilities	**107**	**-**	**359**	**-**	**-**	**-**	**710**	**-**	**27**	**-**
1. Forecast transactions	X	X	X	X	X	X	X	1	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	-	X	-	-

The table indicates negative fair values of hedging derivatives, broken down in relation to asset or liability hedged and type of hedge.
Considering the values gross of netting in the financial statements, these continue to refer mainly to macro fair value hedges of core deposits as well as micro-hedges of liabilities issued and debt securities under assets. Cash flow hedges refer to funding through floating-rate securities issued, and in particular macro hedges, to the extent used to fund fixed-rate investments.

SECTION 5 – FAIR VALUE CHANGE OF FINANCIAL LIABILITIES IN HEDGED PORTFOLIOS – CAPTION 50

5.1 Fair value change of hedged liabilities

(millions of euro)

Fair value change of hedged liabilities/Group members	31.12.2025	31.12.2024
1. Positive fair value change of financial liabilities	352	1,625
2. Negative fair value change of financial liabilities	-3,275	-3,444
Total	**-2,923**	**-1,819**

The balance of the changes in value of liabilities subject to macrohedging against interest rate risk is recorded in this caption. For the application, the option envisaged by IFRS 9 to continue to apply the provisions permitted by the IAS 39 carve out was applied.
The greater negative balance compared to 31 December 2024 of the fair value change of financial liabilities in interest rate risk macro hedged portfolios was the result of the trend in interest rates, and should be read jointly with the trend in fair value of hedging derivatives.

SECTION 6 – TAX LIABILITIES – CAPTION 60

For information on this section, see Section 11 of Assets.

SECTION 7 – LIABILITIES ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS – CAPTION 70

For information on this section, see Section 12 of Assets.

SECTION 8 – OTHER LIABILITIES – CAPTION 80

8.1 Other liabilities: breakdown

(millions of euro)

Captions		
Amounts to be credited and items under processing		2,762
Due to tax authorities		2,754
Due to suppliers		1,833
Amounts due to third parties		334
Personnel charges		252
Due to social security entities		237
Other		6,521
TOTAL	**31.12.2025**	**14,693**
TOTAL	**31.12.2024**	**15,014**

The sub-caption “Other” includes the following main components: (i) unallocated accrued expenses and deferred income of 517 million euro; and (ii) payables to private bankers of 917 million euro.
That sub-caption also includes, as required by paragraph 116 a) of IFRS 15, liabilities arising from contracts with customers of 134 million euro.

SECTION 9 – EMPLOYEE TERMINATION INDEMNITIES – CAPTION 90

9.1 Employee termination indemnities: annual changes

(millions of euro)

	31.12.2025	31.12.2024
A. Initial amount	**706**	**767**
B. Increases	**60**	**70**
B.1 Provisions in the year	22	27
B.2 Other	38	43
- of which business combinations	-	-
C. Decreases	**-152**	**-131**
C.1 Benefits paid	-116	-85
C.2 Other	-36	-46
- of which business combinations	-	-
D. Final amount	**614**	**706**
Total	**614**	**706**

C.1. refers to benefits paid as at 31 December 2025.
For greater detail on actuarial calculations, see Section 10.5 – Post employment defined benefit plans.

9.2 Other information

The present value of employee termination indemnities qualifying as unfunded defined benefit plans totalled 614 million euro at the end of December 2025, while at the end of 2024 it amounted to 706 million euro.

SECTION 10 – ALLOWANCES FOR RISKS AND CHARGES – CAPTION 100

10.1 Allowances for risks and charges: breakdown

(millions of euro)

Captions/Components	31.12.2025	31.12.2024
1. Allowances for credit risk associated with commitments and financial guarantees given	**676**	**601**
2. Allowances on other commitments and other guarantees given	**-**	**-**
3. Post-employment benefits	**53**	**98**
4. Other allowances for risks and charges	**3,777**	**4,186**
4.1 legal disputes	724	795
4.2 personnel charges	1,742	2,146
4.3 other	1,311	1,245
Total	**4,506**	**4,885**

There are no amounts attributable to the caption “2 – Allowances on other commitments and other guarantees given”.
The contents of caption “4. Other allowances for risks and charges” are illustrated in point 10.6 below.

10.2 Allowances for risks and charges: annual changes

(millions of euro)

Captions	Allowances on other commitments and other guarantees given	Post-employment benefits	Other allowances for risks and charges	Total
A. Initial amount	**-**	**98**	**4,186**	**4,284**
B. Increases	**-**	**12**	**1,287**	**1,299**
B.1 Provisions in the year	-	10	1,156	1,166
B.2 Time value changes	-	2	34	36
B.3 Changes due to discount rate variations	-	-	1	1
B.4 Other	-	-	96	96
- of which business combinations	-	-	-	-
C. Decreases	**-**	**-57**	**-1,696**	**-1,753**
C.1 Uses in the year	-	-31	-1,624	-1,655
C.2 Changes due to discount rate variations	-	-	-2	-2
C.3 Other	-	-26	-70	-96
- of which business combinations	-	-	-	-
D. Final amount	**-**	**53**	**3,777**	**3,830**

As specified in the comment to the previous table, there are no amounts attributable to the caption “Allowances on other commitments and other guarantees given”.
Other allowances for risks and charges include net provisions of 241 million euro to caption 200, letter b) of the income statement and net provisions to other income statement captions, for the residual amount. The latter included the provision made following the personnel exit incentives agreement signed with the trade unions on 10 December 2025, supplementing the agreement signed with the trade unions on 23 October 2024. Uses mainly refer to payments.

10.3 Allowances for credit risk associated with commitments and financial guarantees given

(millions of euro)

	Allowances for credit risk associated with commitments and financial guarantees given				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	**Total**
1. Commitments to disburse funds	104	73	68	-	245
2. Financial guarantees given	63	32	336	-	431
Total	**167**	**105**	**404**	**-**	**676**

10.4 Allowances on other commitments and other guarantees given

As at 31 December 2025, there were no allowances on other commitments and guarantees given.

10.5 Post-employment defined benefit plans

1. Illustration of the characteristics of the funds and related risks

As already illustrated in Part A – Accounting policies, for defined benefit plans, the liability of the Bank, according to IAS 19 "Employee Benefits", is determined via the "projected unit credit method" by an independent actuary. The liability is recognised net of any plan assets of each Pension Fund and the actuarial gains and losses calculated in the valuation process for the plans are recognised in the statement of comprehensive income and, therefore, in shareholders' equity.

The defined benefit supplementary pension plans, in which the Intesa Sanpaolo Group companies are co-obliged, can be distinguished in:
- internal funds;
- external funds.

Internal funds include:
- Three defined benefit plans in force for the London branch, relating to the former Cariplo, Banca Commerciale Italiana and Banco Ambrosiano Veneto branches. The private pension funds have been set up by the UK employers to integrate the levels of the local state pension, which has always been very low. The London branches of Cariplo, Banca Commerciale Italiana and Banco Ambrosiano Veneto set up defined benefit plans for their employees at the time of their opening, under the form of Trusts incorporated under English law and managed by Boards of Trustees, appointed partly by the employers and partly by beneficiaries. Such funds are operational for employees hired until the end of 1999 for Banco Ambrosiano Veneto and Cariplo and until the end of 2000 for Banca Commerciale Italiana. In general, all funds guarantee a pension payable when the beneficiary turns 65 and the benefit is determined, with different rules for the various funds, on the basis of the annual gross wage received in the last year of service;
- post-retirement medical plan and other benefits for employees of Bank of Alexandria (Egypt): defined benefit plans providing health coverage and other benefits to employees, even after retirement. The Bank is responsible for the costs and risks related to the disbursement of said benefits;
- defined benefit plans in effect within Banca Intesa Beograd: these are long-term benefits established by the Collective Contract (which refers to provisions of law in the Republic of Serbia) for employees in service to be paid upon termination of employment.

External funds include:
- the Intesa Sanpaolo Group Defined-Benefit Fund "Fondo Pensione a Prestazione definita del Gruppo Intesa Sanpaolo", the name given to the former Supplementary Pension Fund for the Employees of Banco di Napoli "Fondo Pensione Complementare per il Personale del Banco di Napoli – Sezione A", identified as a collector of other "defined benefit" forms under the reorganisation and rationalisation of the existing pension schemes within the Intesa Sanpaolo Group, with protection of the rights of the (active and retired) subscribers. To this end, the "Fund" – in the virtually separated sections – has been assigned the asset captions contained in the financial statements of the pre-existing pension schemes, in order to ensure full coverage of the supplementary benefits. For that reason, with regard to this Pension Fund, liabilities to be recorded in the financial statements (net of the plan assets) are calculated section by section, considering the specific characteristics of each base. The Fund, which is a legal entity with independently managed assets, includes the following: employees enrolled in the plan and other beneficiaries from former Banco di Napoli; retired employees receiving Supplementary Pension Cheques, formerly the Sanpaolo IMI internal fund; retired employees from the former Banca Nazionale delle Comunicazioni; current and retired employees of Cassa di Risparmio in Bologna, formerly enrolled in the Complementary pension fund for the employees of said bank, transferred to the Fund in question in 2004; retired employees of the Complementary pension fund of the former Fin.Opi, transferred to the Fund in question on 1 June 2005; current and retired employees of the former Banca Popolare dell'Adriatico, formerly enrolled in the Pension fund for the employees of Banca Popolare dell'Adriatico, transferred to the Fund in question on 30 June 2006; retired employees of Cassa di Risparmio di Udine e Pordenone, formerly enrolled in the Complementary pension fund for the employees of said bank, transferred to the Fund in question in 2006; retired employees of Cassa di Risparmio di Forlì, formerly enrolled in the Complementary pension fund for the employees of said bank, transferred to the Fund in question on 1 January 2007; retired employees of the former Carive internal Fund, transferred to the Fund in question on 1 January 2008; retired employees of the former CR Firenze FIP internal fund, transferred to the Fund in question on 1 January 2010; retired employees of Cassa di Risparmio di Pistoia e Pescia internal fund, transferred to the Fund in question on 1 September 2012; retired tax-collection personnel of the Supplementary pension fund for tax-collection personnel formerly employed by Cariplo, transferred to the Fund in question on 1 January 2015; retired employees formerly enrolled in the Complementary pension fund for employees of Mediocredito Lombardo S.p.A., transferred to the Fund in question on 1 January 2015; retired employees formerly enrolled in the Pension Fund for key Managers, former Key Managers and entitled parties of former Comit, transferred to the Fund in question on 1 January 2015; retired employees formerly enrolled in the "Casse del Centro" Pension Funds, in particular those enrolled in the Supplementary INPS benefits fund for the compulsory insurance for invalidity, old-age and survivors for personnel of Cassa di Risparmio di Città di Castello, Supplementary INPS benefits fund for the compulsory insurance for invalidity, old-age and survivors for personnel of Cassa di Risparmio di Foligno, Company complementary pension AGO fund for employees of Cassa di Risparmio di Spoleto, Supplementary/complementary pension fund for the mandatory pension for employees of Cassa di Risparmio di Rieti, Pension fund for the Employees of Cassa di Risparmio della Provincia di Viterbo and Company supplementary pension fund for employees of Cassa di Risparmio di Ascoli Piceno, transferred to the Fund in question on 1 January 2015; retired employees formerly enrolled in the Company complementary pension fund of INPS benefits for employees of Cassa di Risparmio di Civitavecchia, transferred to the Fund in question on 1 January 2015; retired employees formerly enrolled in the Supplementary fund of SIL – Società Italiana Leasing S.p.A., transferred to the Fund in question on 1 January 2015; retired employees formerly enrolled in the Complementary Pension Fund for the personnel of Banca Monte Parma, transferred to the Fund in question on 1 January 2016; employees and retired employees formerly enrolled in the Pension Fund for the personnel of the former Crediop hired before 30 September 1989, transferred to the Fund in question on

1 January 2016; retired employees formerly enrolled in the Supplementary Pension Fund for the personnel of Cassa di Risparmio di Mirandola, transferred to the Fund in question on 1 April 2016; retired employees formerly enrolled in the Pension Fund for the Personnel of the former Cassa di Risparmio di Prato transferred to the Fund in question on 1 May 2018; retired employees formerly enrolled in the Defined Benefit Plan of the former Cassa di Risparmio di Fabriano e Cupramontana transferred to the Fund in question on 1 May 2018; current and retired employees of the Supplementary pension fund for the personnel of Istituto Bancario Sanpaolo di Torino, transferred to the Fund in question on 1 January 2019; retired employees of the Supplementary pension fund for the personnel of Cassa di Risparmio di Padova e Rovigo, transferred to the Fund in question on 1 July 2019; employees and retired employees formerly enrolled in the former UBI Banca internal Funds – which include the Funds relating to the former Centrobanca (former Supplementary Pension Fund for employees of Centrobanca – former Banca Centrale di Credito Popolare S.p.A.), former Banca Regionale Europea (former Fund for the personnel of Banca Regionale Europea from the former Banca del Monte di Lombardia and the former Cassa di Risparmio di Cuneo), former Carime (former Fund of the former Cassa di Risparmio di Calabria e Lucania, Fund of the former Cassa di Risparmio di Puglia, Fund of the former Cassa di Risparmio Salernitana) and former Banca Adriatica (former Retirement Fund for the personnel of the loans business line of the former Cassa di Risparmio di Macerata S.p.A., Retirement Fund for the personnel of the former Banca Ca.Ri.Ma. transferred to Se.Ri.Ma. – now Equitalia Servizi di Riscossione S.p.A., Retirement Fund for the personnel of the former Mediocredito Fondiario Centro Italia S.p.A., Retirement Fund for personnel in the tax-collection segment of the former Cassa di Risparmio di Pesaro, Retirement Fund for the personnel of the former Cassa di Risparmio di Jesi, Retirement Fund for personnel in the tax-collection segment of the former Cassa di Risparmio di Pesaro S.p.A. transferred to the former SE.RI.T. S.p.A.) – transferred to the Fund in question on 1 July 2022; retired employees formerly enrolled in the Pension Fund of the former UBI Banca Group of the former Banca Popolare di Bergamo and its subsidiaries, transferred to the Fund in question on 1 September 2022; retired employees formerly enrolled in the Pension Fund for the Personnel of the former Banca Popolare di Ancona and its subsidiaries, transferred to the fund in question on 1 September 2022; and employees and retired employees formerly enrolled in the former Pension Fund of the Cassa di Risparmio di Firenze, transferred to the Fund in question on 1 January 2023.

It should be clarified that the Articles of Association of the Defined-Benefit Fund of the Intesa Sanpaolo Group provide for the immediate settlement by the co-obligated Banks, if sections of the Fund present a technical imbalance determined according to the statutory methodology (without prejudice to provisions to the contrary in trade union agreements). Any outlays to settle the technical imbalance to be made in the next year will be determined at the time the financial statements of the Fund are approved, which is scheduled for June 2026;

- Pension fund for the employees of Cariplo, a fund with legal status and full economic independence, whose aim is to guarantee supplementary pension treatment in addition to AGO cheques to former Cariplo employees already retired on 30 June 1998;
- a defined benefit plan at the New York branch: the fund was established in 1977 by the branch of Banca Commerciale Italiana and guarantees a pension treatment to all the employees resident in the United States who have been in service at the Bank for at least 5 years. The benefit is considered to be accrued even if the employment relationship ceases in advance. The benefit is calculated based on the highest average wage considering three consecutive years out of the last 10 years of service, or, if the employment relationship ceases before, based on the average wage in the last three years of service. Wags after 31 December 2007 are not included in the calculation. The fund is fully managed by Empower;
- an employee pension plan of Reyl & Cie S.A.: the plan provides supplementary benefits when the pension is due or in the event of an unfavourable event (disability and death) under the local social security provisions (LPP); the obligations are covered by dedicated assets, managed through a contractual relationship between the company and La Collective de Prévoyance - Copré, Geneva;
- an employee pension plan of Alpian S.A.: the plan provides supplementary benefits when the pension is due or in the event of an unfavourable event (disability and death) under the local social security provisions (LPP); the obligations are covered by dedicated assets, managed through a contractual relationship between the company and La Collective de Prévoyance - Copré, Geneva.

In 2025, the process of integrating the Group's existing Italian supplementary pension schemes was initiated, identifying the Intesa Sanpaolo Group Pension Fund as the "collector" of defined contribution and defined benefit pension schemes. To this end, two separate sections have been set up within the Group Pension Fund: Section A, which will operate under a defined contribution scheme, and Section B, which will operate under a defined benefit scheme.

The integration operation, communicated to the supervisory authority Covip, provides for the collective transfer of the positions of members of the Intesa Sanpaolo Group Defined-Benefit Fund and the Cariplo Staff Pension Fund, resulting in the defined-benefit section, after the exercise of a capitalisation offer, with full continuity of benefits and guarantees, in compliance with the law and the provisions of the respective Articles of Association of the original Funds.

In this context, on 13 May 2025, Intesa Sanpaolo S.p.A., also in its capacity as Parent Company, signed an agreement with the Trade Unions, as Fund Founders, to implement the integration of the Intesa Sanpaolo Group Defined-Benefit Fund into the Intesa Sanpaolo Group Pension Fund effective from 1 January 2026. In line with the agreement, in June 2025 an individual supplementary benefit capitalisation offer was made to members. The subscriptions received led to a decrease in the reduction of the obligation by about 181 million euro in the current year, which was partly covered by the Fund's assets and, for approximately 21 million, through the use of the retirement funds specifically set up at the Bank, under the guarantee given.

A second agreement, finalised on the same date, stipulates a similar integration for the Cariplo Staff Pension Fund, effective from 1 January 2027. Here too, the agreement provides for the formulation of an individualised supplementary benefit capitalisation offer to members, which will take effect on 1 June 2026.

With regard to the investment and integrated risk management policies, the Funds verify the level of coverage and the possible outcomes under various scenarios. For this purpose, various investment configurations and portfolio mixes and allocations are defined, in order to satisfy the pension and profitability objectives as adequately as possible.

2. Changes in the year of net liabilities (assets) with defined benefits and redemption rights

(millions of euro)

Pension plan liabilities defined benefit obligations	31.12.2025			31.12.2024		
	Employee termination indemnities	Internal plans	External plans	Employee termination indemnities	Internal plans	External plans
Initial amount	**706**	**148**	**1,031**	**767**	**154**	**1,089**
Current service costs	3	2	10	4	2	9
Recognised past service costs	-	-	-1	-	-	-1
Interest expense	19	12	24	23	14	32
Actuarial losses due to changes in financial assumptions	-	12	-	10	-	28
Actuarial losses due to changes in demographic assumptions	-	-	10	1	1	1
Actuarial losses based on past experience	-	1	14	-	15	11
Positive exchange differences	-	-	2	-	5	1
Increases - business combinations	-	-	-	-	-	-
Participants' contributions	X	-	12	X	-	14
Actuarial profits due to changes in financial assumptions	-17	-7	-34	-	-7	-2
Actuarial profits due to changes in demographic assumptions	-1	-	-	-	-1	-21
Actuarial profits based on past experience	-	-	-3	-6	-6	-21
Negative exchange differences	-	-7	-2	-	-20	-3
Benefits paid	-116	-11	-114	-85	-9	-116
Decreases - business combinations	-	-	-	-	-	-
Curtailments of the fund	X	-	-	X	-	-
Settlements of the fund	X	-	-181	X	-	-
Other increases	37	-	-	32	-	10
Other decreases	-17	-	-	-40	-	-
Final amount	**614**	**150**	**768**	**706**	**148**	**1,031**

Pension plan liabilities defined benefit obligations	31.12.2025			31.12.2024		
	Employee termination indemnities	Internal plans	External plans	Employee termination indemnities	Internal plans	External plans
Unfunded plans	614	43	-	706	33	-
Partly funded plans	-	-	-	-	-	-
Wholly funded plans	-	107	768	-	115	1,031

The actuarial gains and losses arising from changes in financial assumptions are due to rate changes. The actuarial losses recognised due to changes in demographic assumptions mainly depend on the updating of mortality rates of the general population of Italy.

3. Information on the fair value of plan assets

The following tables show the changes in plan assets for certain defined benefit plans and their composition.

(millions of euro)

Plan assets	31.12.2025		31.12.2024	
	Internal plans	External plans	Internal plans	External plans
Initial amount	**132**	**1,074**	**124**	**1,075**
Return on assets net of interest	-10	11	-3	50
Interest income	6	23	5	29
Positive exchange differences	-	2	6	1
Increases - business combinations	-	-	-	-
Employer contributions	2	30	2	10
Participants' contributions	-	12	-	14
Negative exchange differences	-7	-3	-	-2
Decreases - business combinations	-	-	-	-
Benefits paid	-4	-114	-3	-116
Curtailments of the fund	-	-	-	-
Settlements of the fund	-	-181	-	-
Other changes	-	3	1	13
Final amount	**119**	**857**	**132**	**1,074**

(millions of euro)

Plan assets: additional information	31.12.2025				31.12.2024			
	Internal plans	%	External plans	%	Internal plans	%	External plans	%
Equities	**-**	**-**	**96**	**11.2**	**-**	**-**	**291**	**27.1**
- of which level-1 fair value	-		96		-		261	
Mutual funds	**-**	**-**	**63**	**7.3**	**-**	**-**	**72**	**6.7**
- of which level-1 fair value	-		2		-	-	30	
Debt securities	**119**	**100.0**	**429**	**50.1**	**132**	**100.0**	**349**	**32.5**
- of which level-1 fair value	119		429		132		349	
Real estate assets and investments in real estate companies	**-**	**-**	**197**	**23.0**	**-**	**-**	**243**	**22.6**
- of which level-1 fair value	-		-		-		-	
Insurance business	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- of which level-1 fair value	-		-		-		-	
Other assets	**-**	**-**	**72**	**8.4**	**-**	**-**	**119**	**11.1**
- of which level-1 fair value	-		-		-		-	
TOTAL ASSETS	**119**	**100.0**	**857**	**100.0**	**132**	**100.0**	**1,074**	**100.0**

(millions of euro)

Plan assets: additional information	31.12.2025				31.12.2024			
	Internal plans	%	External plans	%	Internal plans	%	External plans	%
Equities	**-**	**-**	**96**	**11.2**	**-**	**-**	**291**	**27.1**
- of which financial companies	-		16		-		77	
- of which non financial companies	-		80		-		214	
Mutual funds	**-**	**-**	**63**	**7.3**	**-**	**-**	**72**	**6.7**
Debt securities	**119**	**100.0**	**429**	**50.1**	**132**	**100.0**	**348**	**32.4**
Government bonds	34		369		100		218	
- of which investment grade	*34*		*368*		*100*		*217*	
- of which speculative grade	*-*		*1*		*-*		*1*	
Financial companies	58		38		32		79	
- of which investment grade	*58*		*36*		*32*		*75*	
- of which speculative grade	*-*		*2*		*-*		*4*	
Non Financial companies	27		22		-		51	
- of which investment grade	*27*		*20*		*-*		*47*	
- of which speculative grade	*-*		*2*		*-*		*4*	
Real estate assets and investments in real estate companies	**-**	**-**	**197**	**23.0**	**-**	**-**	**243**	**22.6**
Insurance business	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other assets	**-**	**-**	**72**	**8.4**	**-**	**-**	**120**	**11.2**
TOTAL ASSETS	**119**	**100.0**	**857**	**100.0**	**132**	**100.0**	**1,074**	**100.0**

The difference between net defined benefit liabilities (see the previous disclosure, Table 10.5, point 2) and the plan assets (see the previous disclosure, Table 10.5, point 3) is recognised, based on the criteria illustrated in paragraph 10.5, point 1 above, under the company post-employment plans and, in some cases, under other allowances for risks and charges.
The plans in place at the London branch are subject to the effect of the limitation of the asset ceiling determined pursuant to IFRIC 14, equal to 12 million euro as at 31 December 2025 (16 million euro as at 31 December 2024).

4. Description of the main actuarial assumptions

The table below indicates the actuarial assumptions and interest rates used by the various funds.

Actuarial assumptions	31.12.2025				31.12.2024			
	Discount rate	Expected rate of return	Expected rate of wage rises (a)	Annual inflation rate	Discount rate	Expected rate of return	Expected rate of wage rises (a)	Annual inflation rate
EMPLOYEE TERMINATION INDEMNITIES	from 2,6 % to 5,1%	X	from 2,4% to 2,6%	1.9%	from 2,6% to 3,7%	X	from 2,5% to 2,6%	1.9%
INTERNAL PLANS								
- of which Egypt	20.0%	-	6.1%	6.1%	24.0%	-	7.8%	7.8%
- of which England	5.6%	5.6%	2.7%	2.7%	5.3%	-	2.9%	2.9%
- of which Serbia	6.2%	-	8.0%	-	6.2%	-	7.6%	-
EXTERNAL PLANS								
- of which Italy	from 3,3% to 3,5%	from 3,3% to 3,5%	2.1%	1.9%	from 2,9% to 3,1%	4.6%	2.7%	2.0%
- of which USA	5.3%	5.3%	-	-	5.0%	5.0%	-	-
- of which Switzerland	1.3%	1.0%	-	1.0%	0.8%	1.0%	-	1.0%

(a) Net of career developments.

The Intesa Sanpaolo Group primarily uses the Eur Composite AA rate as its discounting rate, weighted by the ratio of payments and advances referring to each maturity, on the one hand, and the total amount of payments and advances to be made for the final fulfilment of the entire obligation, on the other. In the case of defined-benefit plans in particular, the rate used is the average rate that reflects the market parameters covered by the plan. The Eur Composite AA curve is obtained daily from the Bloomberg's information provider and refers to a basket of securities issued by investment-grade corporate issuers included in the AA rating class, residing in the Eurozone and belonging to various sectors.

Likewise, the Intesa Sanpaolo Group mainly uses the European Zero-Coupon Inflation-Indexed Swap rate curve, weighted on the basis of the ratio of the amount paid for each maturity and the total amount to be paid until the obligation is finally discharged in full, as the inflation rate.

5. Information on amount, timing and uncertainty of cash flows

(millions of euro)

Sensitivity analysis	31.12.2025					
	EMPLOYEE TERMINATION INDEMNITIES		INTERNAL PLANS		EXTERNAL PLANS	
	+100 bps	-100 bps	+100 bps	-100 bps	+100 bps	-100 bps
Discount rate	581	651	136	168	707	839
Rate of wage rises	614	614	159	144	771	766
Inflation rate	639	590	156	146	800	738

The sensitivity analysis is not conducted on the expected rate of return as it has no effect on the calculation of the liabilities.

The sensitivity analysis was carried out on the net defined benefit liabilities (pursuant to the previous disclosure, 10.5, point 2). The absolute values of the data presented indicate the possible amount of net defined benefit liabilities in the event of a change in rate of +/- 100bps.

The average duration of the defined benefit obligation is 10.1 years for pension funds and 6.6 years for employee termination indemnities.

6. Multi-employer plans

The Group has the following defined benefit plans regarding more than one employer:

- Pension Fund for the employees of the former Crediop hired before 30 September 1989, which on 1 January 2016 was transferred to the Supplementary Pension Fund for the Employees of Banco di Napoli (now the Intesa Sanpaolo Group Defined-Benefit Fund "Fondo Pensione a Prestazione Definita del Gruppo Intesa Sanpaolo"). The commitments of Crediop S.p.A. (now Dexia-Crediop) and the former Sanpaolo IMI (now Intesa Sanpaolo S.p.A.) with regard to the Fund are governed by the agreement entered into between the parties on 28 May 1999. Its transfer into the Intesa Sanpaolo Group Defined-Benefit Fund "Fondo Pensione a Prestazione Definita del Gruppo Intesa Sanpaolo" did not modify the guarantees and commitments undertaken by the parties in the past;
- Retirement Fund for former employees of Banca Ca.Ri.Ma., transferred to Se.Ri.Ma. (now Equitalia Servizi di Riscossione S.p.A.), whose tax collection services were transferred on 1 January 1990 to the former Equitalia Marche S.p.A. (currently Agenzia delle Entrate - Riscossione) which was transferred to the Intesa Sanpaolo Group Defined-Benefit Fund on 1 July 2022. The trade union agreement and agreements between subscribers of the operation sanctioned that the then-parent company Ca.Ri.Ma. (then former Banca Marche S.p.A., then former Nuova Banca Marche S.p.A. and subsequently former Banca Adriatica S.p.A., then merged into former UBI Banca, in turn merged into Intesa Sanpaolo S.p.A.) would continue to allocate in its financial statements the mathematical reserves pertaining to personnel hired before the operation was finalised;
- Pension Fund for the Personnel of the former Banca Popolare di Ancona and its subsidiaries, transferred on 1 September 2022 to the Intesa Sanpaolo Group Defined-Benefit Fund, which provides a guarantee of settlement of the respective shares of the subscribers by Intesa Sanpaolo S.p.A. (former UBI Banca) and Credito Valtellinese.

7. Defined benefit plans that share risks among entities under joint control

The Intesa Sanpaolo Group Defined-Benefit Fund is a defined-benefit plan that shares the risks amongst the various Group companies. These Companies issue a joint guarantee for their registered employees and pensioners with respect to the subject pension entities.

The liabilities of each jointly responsible Company are determined by an Independent Actuary through the "projected unit credit method" and are recorded in the financial statements net of the plan assets. Similarly, the current service cost, which represents the average present value at the measurement date of the benefits accrued by workers in service during the year, is calculated for each Company by said Actuary.

10.6 Allowances for risks and charges – Other allowances

(millions of euro)

Captions/Components	31.12.2025	Of which:			31.12.2024
		Banking group	*Insurance companies*	*Other companies*	
Other allowances					
1. legal and tax disputes	*724*	*708*	*5*	*11*	795
2. personnel charges	1,742	*1,707*	*35*	-	2,146
incentive-driven exit plans	*733*	*730*	*3*	-	*1,055*
employee seniority bonuses	*68*	*60*	*8*	-	*63*
other personnel expenses	*941*	*917*	*24*	-	*1,028*
3. other risks and charges	1,311	*1,251*	*12*	*48*	1,245
other indemnities due to agents of the distribution network	*497*	*497*	-	-	*451*
other	*814*	*754*	*12*	*48*	*794*
Total	**3,777**	***3,666***	***52***	***59***	**4,186**

Other allowances refers to:

– Legal and tax disputes: the allowance was set up mainly to cover expected outlay for litigation, revocatory action and, on a residual basis, tax disputes;

– Personnel charges: the allowance includes charges for incentive-driven exit plans, employee seniority bonuses (calculated on the basis of actuarial assumptions) and provisions for bonuses and other charges relating to employees; the charges for exit incentives during 2025 included those relating to the agreement signed with the trade unions on 10 December 2025, which supplements the agreement signed with the same trade unions on 23 October 2024;

– Other risks and charges: these mainly refer to provisions to cover private bankers' indemnities, charges connected with the sale of portfolios of NPLs and other charges relating to various obligations, as well as the provision for risks, amounting to 438 million euro as at 31 December 2025, for the allowances made on consolidating the investee Banca Intesa Russia, aimed at eliminating, up to December 2024, its equity contribution to the Group's consolidated financial statements. It was decided in 2025 to review the valuation of the investment in Banca Intesa Russia in the consolidated financial statements, maintaining the net income achieved by the investee from the first quarter of 2025 in the consolidated results, without making any provisions to write off its equity contribution upon consolidation, as was the case up to 31 December 2024. In particular, it was necessary to conduct an impairment test on the equity investment. The test, performed based on a specific appraisal commissioned from an independent adviser, confirmed the valuation adopted.

SECTION 11 – INSURANCE LIABILITIES – CAPTION 110

From 1 January 2023, insurance assets and liabilities have been recognised in the financial statements in accordance with IFRS 17.

This section includes the tables in line with the indications of IVASS, based on the updates to Regulation 7 of 13 July 2007, directly applicable also pursuant to Circular 262/2005, for the disclosure required by IFRS 17 for insurance contracts pertaining to consolidated insurance companies.

Specifically, details are provided of the asset caption 80 a) Insurance assets - insurance contracts issued that are assets, 477 million euro as at 31 December 2025 (444 million euro as at 31 December 2024), and the liability caption 110 a) Insurance liabilities - insurance contracts issued that are liabilities, 132,481 million euro as at 31 December 2025 (126,013 million euro as at 31 December 2024). The balance of insurance contracts issued is negative at 132,004 million euro as at 31 December 2025 (125,569 million euro as at 31 December 2024).

Reconciliations are presented that show how the net carrying amounts of insurance contracts issued changed during the period because of cash flows and income and expenses recognised in the statement(s) of financial performance. Specifically, the tables show:
– the changes in the carrying amount of insurance contracts issued, broken down by basis of aggregation[363] and by measurement model (General Measurement Model – GMM or Variable Fee Approach – VFA and Premium Allocation Approach – PAA);
– the changes in the carrying amount of the insurance contracts issued per measurement component (Present Value of Cash Flows, Adjustment for Non-Financial Risks and Contractual Service Margin), broken down by basis of aggregation;
– the changes in insurance revenues and contractual service margin of insurance contracts issued allocated according to contracts outstanding at the time of transition to IFRS 17, broken down by basis of aggregation;
– measurement components of insurance contracts issued recognised during the year, broken down by basis of aggregation;
– contractual service margin broken down by expected timing of recognition in the income statement;
– development of claims gross and net of reinsurance (Non-Life Segment only).
For the methodological choices adopted by the Group, see Part A - Accounting Policies.

Below is a summary table of the changes reported in the section below, with the related reconciliation with the financial statement captions.

(millions of euro)

	31.12.2025	31.12.2024
80. INSURANCE ASSETS		
a) Insurance contracts issued that are assets	**477**	**444**
of which 11.1 Change in the book value of insurance contracts issued – GMM or VFA – liabilities for remaining coverage and incurred claims – Insurance contracts issued with direct participation features – Life Segment	*14*	*12*
of which 11.1 Change in the book value of insurance contracts issued – GMM or VFA – liabilities for remaining coverage and incurred claims – Insurance contracts issued without direct participation features – Life Segment	*-*	*1*
of which 11.1 Change in the book value of insurance contracts issued – GMM or VFA – liabilities for remaining coverage and incurred claims – Insurance contracts issued without direct participation features – Non-Life Segment – Non-Motor	*8*	*125*
of which 11.2 Change in the book value of insurance contracts issued – PAA – liabilities for remaining coverage and incurred claims – Non-Life Segment – Motor	*8*	*101*
of which 11.2 Change in the book value of insurance contracts issued – PAA – liabilities for remaining coverage and incurred claims – Non-Life Segment – Non-Motor	*447*	*205*
110. INSURANCE LIABILITIES		
a) Insurance contracts issued that are liabilities	**132,481**	**126,013**
of which 11.1 Change in the book value of insurance contracts issued – GMM or VFA – liabilities for remaining coverage and incurred claims – Insurance contracts issued with direct participation features – Life Segment	*130,138*	*123,671*
of which 11.1 Change in the book value of insurance contracts issued – GMM or VFA – liabilities for remaining coverage and incurred claims – Insurance contracts issued without direct participation features – Life Segment	*623*	*711*
of which 11.1 Change in the book value of insurance contracts issued – GMM or VFA – liabilities for remaining coverage and incurred claims – Insurance contracts issued without direct participation features – Non-Life Segment – Non-Motor	*573*	*590*
of which 11.2 Change in the book value of insurance contracts issued – PAA – liabilities for remaining coverage and incurred claims – Non-Life Segment – Motor	*174*	*183*
of which 11.2 Change in the book value of insurance contracts issued – PAA – liabilities for remaining coverage and incurred claims – Non-Life Segment – Non-Motor	*973*	*858*

[363] The bases of aggregation for insurance contracts issued consist of (i) Insurance contracts issued with direct participation features - Life Segment; ii) Insurance contracts issued without direct participation features - Life Segment; iii) Investment contracts issued with discretionary participation features - Life Segment; iv) Insurance contracts issued without direct participation features - Non-Life Segment – Motor; and v) Insurance contracts issued without direct participation features - Non-Life Segment – Non-Motor. For the tables in which the opening of the life segment is required for the bases of aggregation i) and iii), the ISP Group has decided, in line with the provisions of ISVAP Regulation no. 7 of 13 July 2007, to also include the "Investment contracts issued with discretionary participation features" in the "Insurance contracts issued with direct participation features - Life segment" basis of aggregation.

11.1 Changes in the carrying amount of insurance contracts issued – General Measurement Model (GMM) or Variable Fee Approach (VFA) – liabilities for remaining coverage and incurred claims

Insurance contracts issued with direct participation features - Life Segment

(millions of euro)

Captions/Liabilities	31.12.2025				31.12.2024			
	Liability for remaining coverage		Liability for incurred claims	Total	Liability for remaining coverage		Liability for incurred claims	Total
	Net of loss	Loss			Net of loss	Loss		
A. Opening carrying amount								
1. Insurance contracts issued that are liabilities	122,802	119	750	123,671	116,500	135	614	117,249
2. Insurance contracts issued that are assets	-12	-	-	-12	-37	-	-	-37
3. Net carrying amount as at 1 January	**122,790**	**119**	**750**	**123,659**	**116,463**	**135**	**614**	**117,212**
B. Insurance revenue	**-1,743**	**-**	**-**	**-1,743**	**-1,595**	**-**	**-**	**-1,595**
C. Insurance service expenses								
1. Incurred claims and other directly attributable expenses	-	-	763	763	-	-	269	269
2. Changes in the liability for incurred claims	-	-	-249	-249	-	-	184	184
3. Losses and related recoveries on onerous contracts	33	-21	-	12	17	-16	-	1
4. Amortisation of contract acquisition costs	44	-	-	44	45	-	-	45
5. Total	**77**	**-21**	**514**	**570**	**62**	**-16**	**453**	**499**
D. Insurance service result (B+C)	**-1,666**	**-21**	**514**	**-1,173**	**-1,533**	**-16**	**453**	**-1,096**
E. Net financial expenses/income								
1. Related to insurance contracts issued	5,461	-	-	5,461	7,335	-	-	7,335
1.1 Recognised in profit or loss	5,284	-	-	5,284	5,790	-	-	5,790
1.2 Recognised in other comprehensive income	177	-	-	177	1,545	-	-	1,545
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-
3. Total	**5,461**	**-**	**-**	**5,461**	**7,335**	**-**	**-**	**7,335**
F. Investment components	**-14,713**	**-**	**14,713**	**-**	**-15,140**	**-**	**15,140**	**-**
G. Total amount recognised in profit or loss and in other comprehensive income (D+E+F)	**-10,918**	**-21**	**15,227**	**4,288**	**-9,338**	**-16**	**15,593**	**6,239**
H. Other changes	**642**	**-**	**11**	**653**	**-**	**-**	**-**	**-**
I. Cash movements								
1. Premiums received	17,000	-	-	17,000	15,665	-	-	15,665
2. Payments related to contract acquisition costs	-	-	-	-	-	-	-	-
3. Claims paid and other cash outflows	-	-	-15,476	-15,476	-	-	-15,457	-15,457
4. Other movements	-	-	-	-	-	-	-	-
5. Total	**17,000**	**-**	**-15,476**	**1,524**	**15,665**	**-**	**-15,457**	**208**
L. Net carrying amount as at 31 December (A.3+G+H+I.5)	**129,514**	**98**	**512**	**130,124**	**122,790**	**119**	**750**	**123,659**
M. Closing carrying amount								
1. Insurance contracts issued that are liabilities	129,528	98	512	130,138	122,802	119	750	123,671
2. Insurance contracts issued that are assets	-14	-	-	-14	-12	-	-	-12
3. Net carrying amount as at 31 December	**129,514**	**98**	**512**	**130,124**	**122,790**	**119**	**750**	**123,659**

The increase in insurance liabilities on 31 December 2024 is mainly attributable to:
– finance income (caption E.1) on securities hedging insurance contracts arising from positive market trends, to be recognised to customers and projected in the present value of cash flows;
– positive net inflows increased by 1,316 million euro compared to 31 December 2024.

Insurance contracts issued without direct participation features - Life Segment

(millions of euro)

Captions/Liabilities	31.12.2025				31.12.2024			
	Liability for remaining coverage		Liability for incurred claims	Total	Liability for remaining coverage		Liability for incurred claims	Total
	Net of loss	Loss			Net of loss	Loss		
A. Opening carrying amount								
1. Insurance contracts issued that are liabilities	627	14	70	711	676	48	34	758
2. Insurance contracts issued that are assets	-1	-	-	-1	-1	-	-	-1
3. Net carrying amount as at 1 January	**626**	**14**	**70**	**710**	**675**	**48**	**34**	**757**
B. Insurance revenue	**-121**	**-**	**-**	**-121**	**-131**	**-**	**-**	**-131**
C. Insurance service expenses								
1. Incurred claims and other directly attributable expenses	-	-	59	59	-	-	76	76
2. Changes in the liability for incurred claims	-	-	-7	-7	-	-	-8	-8
3. Losses and related recoveries on onerous contracts	2	-8	-	-6	5	-34	-	-29
4. Amortisation of contract acquisition costs	6	-	-	6	3	-	-	3
5. Total	**8**	**-8**	**52**	**52**	**8**	**-34**	**68**	**42**
D. Insurance service result (B+C)	**-113**	**-8**	**52**	**-69**	**-123**	**-34**	**68**	**-89**
E. Net financial expenses/income								
1. Related to insurance contracts issued	12	-	-	12	27	-	-	27
1.1 Recognised in profit or loss	6	-	-	6	4	-	-	4
1.2 Recognised in other comprehensive income	6	-	-	6	23	-	-	23
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-
3. Total	**12**	**-**	**-**	**12**	**27**	**-**	**-**	**27**
F. Investment components	**-33**	**-**	**33**	**-**	**-20**	**-**	**20**	**-**
G. Total amount recognised in profit or loss and in other comprehensive income (D+E+F)	**-134**	**-8**	**85**	**-57**	**-116**	**-34**	**88**	**-62**
H. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
I. Cash movements								
1. Premiums received	62	-	-	62	67	-	-	67
2. Payments related to contract acquisition costs	-	-	-	-	-	-	-	-
3. Claims paid and other cash outflows	-	-	-92	-92	-	-	-52	-52
4. Other movements	-	-	-	-	-	-	-	-
5. Total	**62**	**-**	**-92**	**-30**	**67**	**-**	**-52**	**15**
L. Net carrying amount as at 31 December (A.3+G+H+I.5)	**554**	**6**	**63**	**623**	**626**	**14**	**70**	**710**
M. Closing carrying amount								
1. Insurance contracts issued that are liabilities	554	6	63	623	627	14	70	711
2. Insurance contracts issued that are assets	-	-	-	-	-1	-	-	-1
3. Net carrying amount as at 31 December	**554**	**6**	**63**	**623**	**626**	**14**	**70**	**710**

Insurance contracts issued without direct participation features – Non-Life Segment – Non-Motor

(millions of euro)

Captions/Liabilities	31.12.2025				31.12.2024			
	Liability for remaining coverage		Liability for incurred claims	Total	Liability for remaining coverage		Liability for incurred claims	Total
	Net of loss	Loss			Net of loss	Loss		
A. Opening carrying amount								
1. Insurance contracts issued that are liabilities	512	4	74	590	550	4	40	594
2. Insurance contracts issued that are assets	-125	-	-	-125	-128	-	-	-128
3. Net carrying amount as at 1 January	**387**	**4**	**74**	**465**	**422**	**4**	**40**	**466**
B. Insurance revenue	**-99**	**-**	**-**	**-99**	**-132**	**-**	**-**	**-132**
C. Insurance service expenses								
1. Incurred claims and other directly attributable expenses	-	-	74	74	-	-	58	58
2. Changes in the liability for incurred claims	-	-	-9	-9	-	-	9	9
3. Losses and related recoveries on onerous contracts	1	-2	-	-1	1	-	-	1
4. Amortisation of contract acquisition costs	2	-	-	2	1	-	-	1
5. Total	**3**	**-2**	**65**	**66**	**2**	**-**	**67**	**69**
D. Insurance service result (B+C)	**-96**	**-2**	**65**	**-33**	**-130**	**-**	**67**	**-63**
E. Net financial expenses/income								
1. Related to insurance contracts issued	4	-	-	4	8	-	-	8
1.1 Recognised in profit or loss	9	-	-	9	2	-	-	2
1.2 Recognised in other comprehensive income	-5	-	-	-5	6	-	-	6
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-
3. Total	**4**	**-**	**-**	**4**	**8**	**-**	**-**	**8**
F. Investment components	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
G. Total amount recognised in profit or loss and in other comprehensive income (D+E+F)	**-92**	**-2**	**65**	**-29**	**-122**	**-**	**67**	**-55**
H. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
I. Cash movements								
1. Premiums received	202	-	-	202	87	-	-	87
2. Payments related to contract acquisition costs	-	-	-	-	-	-	-	-
3. Claims paid and other cash outflows	-	-	-73	-73	-	-	-33	-33
4. Other movements	-	-	-	-	-	-	-	-
5. Total	**202**	**-**	**-73**	**129**	**87**	**-**	**-33**	**54**
L. Net carrying amount as at 31 December (A.3+G+H+I.5)	**497**	**2**	**66**	**565**	**387**	**4**	**74**	**465**
M. Closing carrying amount								
1. Insurance contracts issued that are liabilities	505	2	66	573	512	4	74	590
2. Insurance contracts issued that are assets	-8	-	-	-8	-125	-	-	-125
3. Net carrying amount as at 31 December	**497**	**2**	**66**	**565**	**387**	**4**	**74**	**465**

11.2 Changes in the carrying amount of insurance contracts issued – Premium Allocation Approach (PAA) – liabilities for remaining coverage and incurred claims – *Non-Life Segment* – *Motor*

(millions of euro)

Captions/Liabilities	31.12.2025					31.12.2024				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Net of loss	Loss	Present value of cash flows	Adjustment for non-financial risks		Net of loss	Loss	Present value of cash flows	Adjustment for non-financial risks	
A. Opening carrying amount										
1. Insurance contracts issued that are liabilities	46	-	135	2	183	38	-	130	3	171
2. Insurance contracts issued that are assets	-101	-	-	-	-101	-90	-	-	-	-90
3. Net carrying amount as at 1 January	**-55**	**-**	**135**	**2**	**82**	**-52**	**-**	**130**	**3**	**81**
B. Insurance revenue	**-107**	**-**	**-**	**-**	**-107**	**-103**	**-**	**-**	**-**	**-103**
C. Insurance service expenses										
1. Incurred claims and other directly attributable expenses	-	-	90	-	90	-	-	96	-	96
2. Changes in the liability for incurred claims	-	-	-12	-	-12	-	-	1	-1	-
3. Losses and related recoveries on onerous contracts	-	-	-	-	-	-	-	-	-	-
4. Amortisation of contract acquisition costs	-	-	-	-	-	-	-	-	-	-
5. Total	**-**	**-**	**78**	**-**	**78**	**-**	**-**	**97**	**-1**	**96**
D. Insurance service result (B+C)	**-107**	**-**	**78**	**-**	**-29**	**-103**	**-**	**97**	**-1**	**-7**
E. Financial expenses/income										
1. Related to insurance contracts issued	2	-	1	-	3	6	-	-2	-	4
1.1 Recognised in profit or loss	2	-	-	-	2	1	-	-	-	1
1.2 Recognised in other comprehensive income	-	-	1	-	1	5	-	-2	-	3
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-	-	-
3. Total	**2**	**-**	**1**	**-**	**3**	**6**	**-**	**-2**	**-**	**4**
F. Investment components	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
G. Total amount of changes recognised in profit or loss and in other comprehensive income (D+E+F)	**-105**	**-**	**79**	**-**	**-26**	**-97**	**-**	**95**	**-1**	**-3**
H. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
I. Cash movements										
1. Premiums received	198	-	-	-	198	94	-	-	-	94
2. Payments related to contract acquisition costs	-	-	-	-	-	-	-	-	-	-
3. Claims paid and other cash outflows	-	-	-88	-	-88	-	-	-90	-	-90
4. Other movements	-	-	-	-	-	-	-	-	-	-
5. Total	**198**	**-**	**-88**	**-**	**110**	**94**	**-**	**-90**	**-**	**4**
L. Net carrying amount as at 31 December (A.3+G+H+I.5)	**38**	**-**	**126**	**2**	**166**	**-55**	**-**	**135**	**2**	**82**
M. Closing carrying amount										
1. Insurance contracts issued that are liabilities	46	-	126	2	174	46	-	135	2	183
2. Insurance contracts issued that are assets	-8	-	-	-	-8	-101	-	-	-	-101
3. Net carrying amount as at 31 December	**38**	**-**	**126**	**2**	**166**	**-55**	**-**	**135**	**2**	**82**

11.2 Changes in the carrying amount of insurance contracts issued – Premium Allocation Approach (PAA) – liabilities for remaining coverage and incurred claims – *Non-Life Segment* – *Non-motor*

(millions of euro)

Captions/Liabilities	31.12.2025					31.12.2024				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Net of loss	Loss	Present value of cash flows	Adjustment for non-financial risks		Net of loss	Loss	Present value of cash flows	Adjustment for non-financial risks	
A. Opening carrying amount										
1. Insurance contracts issued that are liabilities	394	-	452	12	858	355	1	529	17	902
2. Insurance contracts issued that are assets	-205	-	-	-	-205	-156	-	-	-	-156
3. Net carrying amount as at 1 January	**189**	**-**	**452**	**12**	**653**	**199**	**1**	**529**	**17**	**746**
B. Insurance revenue	**-1,349**	**-**	**-**	**-**	**-1,349**	**-1,208**	**-**	**-**	**-**	**-1,208**
C. Insurance service expenses										
1. Incurred claims and other directly attributable expenses	-	-	748	-	748	-	-	814	-	814
2. Changes in the liability for incurred claims	-	-	70	3	73	-	-	-69	-5	-74
3. Losses and related recoveries on onerous contracts	-	-	-	-	-	1	-1	-	-	-
4. Amortisation of contract acquisition costs	-	-	-	-	-	-	-	-	-	-
5. Total	**-**	**-**	**818**	**3**	**821**	**1**	**-1**	**745**	**-5**	**740**
D. Insurance service result (B+C)	**-1,349**	**-**	**818**	**3**	**-528**	**-1,207**	**-1**	**745**	**-5**	**-468**
E. Financial expenses/income										
1. Related to insurance contracts issued	6	-	-	-	6	8	-	1	-	9
1.1 Recognised in profit or loss	6	-	-	-	6	8	-	-	-	8
1.2 Recognised in other comprehensive income	-	-	-	-	-	-	-	1	-	1
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-	-	-
3. Total	**6**	**-**	**-**	**-**	**6**	**8**	**-**	**1**	**-**	**9**
F. Investment components	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
G. Total amount of changes recognised in profit or loss and in other comprehensive income (D+E+F)	**-1,343**	**-**	**818**	**3**	**-522**	**-1,199**	**-1**	**746**	**-5**	**-459**
H. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
I. Cash movements										
1. Premiums received	1,136	-	-	-	1,136	1,189	-	-	-	1,189
2. Payments related to contract acquisition costs	-	-	-	-	-	-	-	-	-	-
3. Claims paid and other cash outflows	-	-	-741	-	-741	-	-	-823	-	-823
4. Other movements	-	-	-	-	-	-	-	-	-	-
5. Total	**1,136**	**-**	**-741**	**-**	**395**	**1,189**	**-**	**-823**	**-**	**366**
L. Net carrying amount as at 31 December (A.3+G+H+I.5)	**-18**	**-**	**529**	**15**	**526**	**189**	**-**	**452**	**12**	**653**
M. Closing carrying amount										
1. Insurance contracts issued that are liabilities	429	-	529	15	973	394	-	452	12	858
2. Insurance contracts issued that are assets	-447	-	-	-	-447	-205	-	-	-	-205
3. Net carrying amount as at 31 December	**-18**	**-**	**529**	**15**	**526**	**189**	**-**	**452**	**12**	**653**

In accordance with the requirements of paragraph 97 of IFRS 17, the Intesa Sanpaolo Group has used the Premium Allocation Approach (PAA) for types of insurance contracts that have a duration of 12 months or less and for which the measurement of the liability using the PAA generates results in line with those obtained from the application of the General Measurement Model (GMM). In addition, no adjustment to reflect the time value of money and financial risk has been considered in the measurement of the liability, because the financing component is considered to be not significant. For the recognition of the acquisition costs, it was decided not to use the option provided for annual contracts in paragraph 59 a) of IFRS 17. These costs have been recognised on an accrual basis in accordance with paragraph B.125 of the Standard.

11.3 Changes in the carrying amount of insurance contracts issued broken down by measurement component

Insurance contracts issued with direct participation features - Life Segment

(millions of euro)

Captions/Measurement components	Elements underlying the measurement of the book value of insurance contracts issued							
	31.12.2025				31.12.2024			
	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total
A. Opening carrying amount								
1. Insurance contracts issued that are liabilities	115,084	446	8,141	123,671	108,650	368	8,231	117,249
2. Insurance contracts issued that are assets	-12	-	-	-12	-37	-	-	-37
3. Net carrying amount as at 1 January	**115,072**	**446**	**8,141**	**123,659**	**108,613**	**368**	**8,231**	**117,212**
B. Changes that relate to current service								
1. Contractual service margin recognised in profit or loss	-	-	-1,142	-1,142	-	-	-1,035	-1,035
2. Change in risk adjustment for non-financial risk for risk expired	-	-50	-	-50	-	-51	-	-51
3. Experience adjustments	256	-	-	256	-195	-	-	-195
4. Total	**256**	**-50**	**-1,142**	**-936**	**-195**	**-51**	**-1,035**	**-1,281**
C. Changes that relate to future service								
1. Changes in the contractual service margin	536	-27	-509	-	-283	60	223	-
2. Losses on groups of onerous contracts and related recoveries	12	-	-	12	1	-	-	1
3. Effects of contracts initially recognised in the reference year	-1,452	54	1,398	-	-1,974	38	1,936	-
4. Total	**-904**	**27**	**889**	**12**	**-2,256**	**98**	**2,159**	**1**
D. Changes that relate to past service								
1. Adjustments to the liability for incurred claims	-249	-	-	-249	184	-	-	184
E. Insurance service result (B+C+D.1)	**-897**	**-23**	**-253**	**-1,173**	**-2,267**	**47**	**1,124**	**-1,096**
F. Financial expenses/income								
1. Related to insurance contracts issued	4,563	17	881	5,461	8,518	31	-1,214	7,335
1.1 Recognised in profit or loss	4,390	13	881	5,284	6,988	16	-1,214	5,790
1.2 Recognised in other comprehensive income	173	4	-	177	1,530	15	-	1,545
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-
3. Total	**4,563**	**17**	**881**	**5,461**	**8,518**	**31**	**-1,214**	**7,335**
G. Total amount of changes recognised in profit or loss and in other comprehensive income (E+F)	**3,666**	**-6**	**628**	**4,288**	**6,251**	**78**	**-90**	**6,239**
H. Other changes	**616**	**2**	**35**	**653**	**-**	**-**	**-**	**-**
I. Cash movements								
1. Premiums received	17,000	-	-	17,000	15,665	-	-	15,665
2. Payments related to contract acquisition costs	-	-	-	-	-	-	-	-
3. Claims paid and other cash outflows	-15,476	-	-	-15,476	-15,457	-	-	-15,457
4. Other movements	-	-	-	-	-	-	-	-
5. Total	**1,524**	**-**	**-**	**1,524**	**208**	**-**	**-**	**208**
L. Net closing carrying amount (A.3+G+H+I.5)	**120,878**	**442**	**8,804**	**130,124**	**115,072**	**446**	**8,141**	**123,659**
M. Closing carrying amount								
1. Insurance contracts issued that are liabilities	120,892	442	8,804	130,138	115,084	446	8,141	123,671
2. Insurance contracts issued that are assets	-14	-	-	-14	-12	-	-	-12
3. Net closing carrying amount	**120,878**	**442**	**8,804**	**130,124**	**115,072**	**446**	**8,141**	**123,659**

The increase in insurance liabilities on 31 December 2024 is mainly attributable to:
– finance income (caption F.1) on securities hedging insurance contracts arising from positive market trends, to be recognised to customers and projected in the present value of cash flows;
– positive net inflows increased by 1,316 million euro compared to 31 December 2024.

Insurance contracts issued without direct participation features - Life Segment

(millions of euro)

Captions/Measurement components	Elements underlying the measurement of the book value of insurance contracts issued							
	31.12.2025				31.12.2024			
	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total
A. Opening carrying amount								
1. Insurance contracts issued that are liabilities	355	17	339	711	486	19	253	758
2. Insurance contracts issued that are assets	-1	-	-	-1	-1	-	-	-1
3. Net carrying amount as at 1 January	**354**	**17**	**339**	**710**	**485**	**19**	**253**	**757**
B. Changes that relate to current service								
1. Contractual service margin recognised in profit or loss	-	-	-55	-55	-	-	-48	-48
2. Change in risk adjustment for non-financial risk for risk expired	-	-2	-	-2	-	-3	-	-3
3. Experience adjustments	1	-	-	1	-1	-	-	-1
4. Total	**1**	**-2**	**-55**	**-56**	**-1**	**-3**	**-48**	**-52**
C. Changes that relate to future service								
1. Changes in the contractual service margin	-22	-1	23	-	-82	-	82	-
2. Losses on groups of onerous contracts and related recoveries	-6	-	-	-6	-29	-	-	-29
3. Effects of contracts initially recognised in the reference year	-62	1	61	-	-50	-	50	-
4. Total	**-90**	**-**	**84**	**-6**	**-161**	**-**	**132**	**-29**
D. Changes that relate to past service								
1. Adjustments to the liability for incurred claims	-7	-	-	-7	-8	-	-	-8
E. Insurance service result (B+C+D.1)	**-96**	**-2**	**29**	**-69**	**-170**	**-3**	**84**	**-89**
F. Financial expenses/income								
1. Related to insurance contracts issued	5	-	7	12	24	1	2	27
1.1 Recognised in profit or loss	-1	-	7	6	2	-	2	4
1.2 Recognised in other comprehensive income	6	-	-	6	22	1	-	23
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-
3. Total	**5**	**-**	**7**	**12**	**24**	**1**	**2**	**27**
G. Total amount of changes recognised in profit or loss and in other comprehensive income (E+F)	**-91**	**-2**	**36**	**-57**	**-146**	**-2**	**86**	**-62**
H. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
I. Cash movements								
1. Premiums received	62	-	-	62	67	-	-	67
2. Payments related to contract acquisition costs	-	-	-	-	-	-	-	-
3. Claims paid and other cash outflows	-92	-	-	-92	-52	-	-	-52
4. Other movements	-	-	-	-	-	-	-	-
5. Total	**-30**	**-**	**-**	**-30**	**15**	**-**	**-**	**15**
L. Net closing carrying amount (A.3+G+H+I.5)	**233**	**15**	**375**	**623**	**354**	**17**	**339**	**710**
M. Closing carrying amount								
1. Insurance contracts issued that are liabilities	233	15	375	623	355	17	339	711
2. Insurance contracts issued that are assets	-	-	-	-	-1	-	-	-1
3. Net closing carrying amount	**233**	**15**	**375**	**623**	**354**	**17**	**339**	**710**

Insurance contracts issued without direct participation features – Non-Life Segment – Non-Motor

(millions of euro)

Captions/Measurement components	Elements underlying the measurement of the book value of insurance contracts issued							
	31.12.2025				31.12.2024			
	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total	Present value of cash flows	Adjustment for non-financial risks	Contractual service margin	Total
A. Opening carrying amount								
1. Insurance contracts issued that are liabilities	250	19	321	590	241	17	336	594
2. Insurance contracts issued that are assets	-125	-	-	-125	-128	-	-	-128
3. Net carrying amount as at 1 January	**125**	**19**	**321**	**465**	**113**	**17**	**336**	**466**
B. Changes that relate to current service								
1. Contractual service margin recognised in profit or loss	-	-	-57	-57	-	-	-67	-67
2. Change in risk adjustment for non-financial risk for risk expired	-	-6	-	-6	-	-4	-	-4
3. Experience adjustments	40	-	-	40	-2	-	-	-2
4. Total	**40**	**-6**	**-57**	**-23**	**-2**	**-4**	**-67**	**-73**
C. Changes that relate to future service								
1. Changes in the contractual service margin	15	5	-20	-	18	5	-23	-
2. Losses on groups of onerous contracts and related recoveries	-1	-	-	-1	1	-	-	1
3. Effects of contracts initially recognised in the reference year	-75	5	70	-	-72	2	70	-
4. Total	**-61**	**10**	**50**	**-1**	**-53**	**7**	**47**	**1**
D. Changes that relate to past service								
1. Adjustments to the liability for incurred claims	-9	-	-	-9	10	-1	-	9
E. Insurance service result (B+C+D.1)	**-30**	**4**	**-7**	**-33**	**-45**	**2**	**-20**	**-63**
F. Financial expenses/income								
1. Related to insurance contracts issued	-2	-	6	4	3	-	5	8
1.1 Recognised in profit or loss	2	1	6	9	-3	-	5	2
1.2 Recognised in other comprehensive income	-4	-1	-	-5	6	-	-	6
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-
3. Total	**-2**	**-**	**6**	**4**	**3**	**-**	**5**	**8**
G. Total amount of changes recognised in profit or loss and in other comprehensive income (E+F)	**-32**	**4**	**-1**	**-29**	**-42**	**2**	**-15**	**-55**
H. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
I. Cash movements								
1. Premiums received	202	-	-	202	87	-	-	87
2. Payments related to contract acquisition costs	-	-	-	-	-	-	-	-
3. Claims paid and other cash outflows	-73	-	-	-73	-33	-	-	-33
4. Other movements	-	-	-	-	-	-	-	-
5. Total	**129**	**-**	**-**	**129**	**54**	**-**	**-**	**54**
L. Net closing carrying amount (A.3+G+H+I.5)	**222**	**23**	**320**	**565**	**125**	**19**	**321**	**465**
M. Closing carrying amount								
1. Insurance contracts issued that are liabilities	230	23	320	573	250	19	321	590
2. Insurance contracts issued that are assets	-8	-	-	-8	-125	-	-	-125
3. Net closing carrying amount	**222**	**23**	**320**	**565**	**125**	**19**	**321**	**465**

11.4 Changes in insurance revenues and contractual service margin of insurance contracts issued allocated according to contracts outstanding at the time of transition to IFRS 17

Insurance contracts issued with direct participation features - Life Segment

(millions of euro)

	31.12.2025					31.12.2024				
	New contracts and contracts measured using the full retrospective approach at the transition date	Contracts measured using the modified retrospective approach at the transition date	Contracts measured at fair value at the transition date	Carve-out contracts	Total	New contracts and contracts measured using the full retrospective approach at the transition date	Contracts measured using the modified retrospective approach at the transition date	Contracts measured at fair value at the transition date	Carve-out contracts	Total
Insurance revenue	**299**	**-**	**93**	**1,351**	**1,743**	**219**	**-**	**82**	**1,294**	**1,595**
Contractual service margin - Opening balance	**2,161**	**571**	**3,762**	**1,647**	**8,141**	**1,150**	**571**	**3,669**	**2,841**	**8,231**
Changes that relate to current service	**-166**	**-**	**-55**	**-921**	**-1,142**	**-218**	**-**	**-46**	**-771**	**-1,035**
- Contractual service margin recognised in profit or loss to reflect services provided	-166	-	-55	-921	-1,142	-218	-	-46	-771	-1,035
Changes that relate to future service	**-165**	**-571**	**-2,874**	**4,499**	**889**	**1,284**	**-**	**178**	**697**	**2,159**
- Changes in estimates that adjust the contractual service margin	-837	-571	-2,874	3,773	-509	1,183	-1	262	-1,221	223
- Effects of contracts initially recognised in the reference year	672	-	-	726	1,398	101	1	-84	1,918	1,936
Financial income/expenses										
1. Related to insurance contracts issued	258	-	-34	657	881	-55	-	-39	-1,120	-1,214
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-	-	-
3. Total	258	-	-34	657	881	-55	-	-39	-1,120	-1,214
Other movements	-	-	-	35	35	-	-	-	-	-
Total changes recognised in profit or loss and in other comprehensive income	**-73**	**-571**	**-2,963**	**4,270**	**663**	**1,011**	**-**	**93**	**-1,194**	**-90**
Contractual service margin – Closing balance	**2,088**	**-**	**799**	**5,917**	**8,804**	**2,161**	**571**	**3,762**	**1,647**	**8,141**

Insurance contracts issued without direct participation features – Life Segment

(millions of euro)

	31.12.2025					31.12.2024				
	New contracts and contracts measured using the full retrospective approach at the transition date	Contracts measured using the modified retrospective approach at the transition date	Contracts measured at fair value at the transition date	Carve-out contracts	Total	New contracts and contracts measured using the full retrospective approach at the transition date	Contracts measured using the modified retrospective approach at the transition date	Contracts measured at fair value at the transition date	Carve-out contracts	Total
Insurance revenue	**90**	**-**	**31**	**-**	**121**	**83**	**-**	**48**	**-**	**131**
Contractual service margin - Opening balance	**347**	**-**	**-8**	**-**	**339**	**263**	**-**	**-10**	**-**	**253**
Changes that relate to current service	**-53**	**-**	**-2**	**-**	**-55**	**-47**	**-**	**-1**	**-**	**-48**
- Contractual service margin recognised in profit or loss to reflect services provided	-53	-	-2	-	-55	-47	-	-1	-	-48
Changes that relate to future service	**64**	**-**	**20**	**-**	**84**	**129**	**-**	**3**	**-**	**132**
- Changes in estimates that adjust the contractual service margin	3	-	20	-	23	85	-	-3	-	82
- Effects of contracts initially recognised in the reference year	61	-	-	-	61	44	-	6	-	50
Financial income/expenses										
1. Related to insurance contracts issued	7	-	-	-	7	2	-	-	-	2
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-	-	-
3. Total	7	-	-	-	7	2	-	-	-	2
Other movements	-	-	-	-	-	-	-	-	-	-
Total changes recognised in profit or loss and in other comprehensive income	**18**	**-**	**18**	**-**	**36**	**84**	**-**	**2**	**-**	**86**
Contractual service margin – Closing balance	**365**	**-**	**10**	**-**	**375**	**347**	**-**	**-8**	**-**	**339**

Insurance contracts issued without direct participation features – Non-Life Segment – Non-Motor

(millions of euro)

	31.12.2025					31.12.2024				
	New contracts and contracts measured using the full retrospective approach at the transition date	Contracts measured using the modified retrospective approach at the transition date	Contracts measured at fair value at the transition date	Carve-out contracts	Total	New contracts and contracts measured using the full retrospective approach at the transition date	Contracts measured using the modified retrospective approach at the transition date	Contracts measured at fair value at the transition date	Carve-out contracts	Total
Insurance revenue	**79**	**14**	**6**	**-**	**99**	**87**	**16**	**29**	**-**	**132**
Contractual service margin - Opening balance	**233**	**68**	**20**	**-**	**321**	**224**	**81**	**31**	**-**	**336**
Changes that relate to current service	**-44**	**-11**	**-2**	**-**	**-57**	**-45**	**-13**	**-9**	**-**	**-67**
- Contractual service margin recognised in profit or loss to reflect services provided	-44	-11	-2	-	-57	-45	-13	-9	-	-67
Changes that relate to future service	**56**	**-3**	**-3**	**-**	**50**	**49**	**-**	**-2**	**-**	**47**
- Changes in estimates that adjust the contractual service margin	-14	-3	-3	-	-20	-24	-	1	-	-23
- Effects of contracts initially recognised in the reference year	70	-	-	-	70	73	-	-3	-	70
Financial income/expenses										
1. Related to insurance contracts issued	5	1	-	-	6	5	-	-	-	5
2. Effects of exchange rate changes	-	-	-	-	-	-	-	-	-	-
3. Total	5	1	-	-	6	5	-	-	-	5
Other movements	-	-	-	-	-	-	-	-	-	-
Total changes recognised in profit or loss and in other comprehensive income	**17**	**-13**	**-5**	**-**	**-1**	**9**	**-13**	**-11**	**-**	**-15**
Contractual service margin – Closing balance	**250**	**55**	**15**	**-**	**320**	**233**	**68**	**20**	**-**	**321**

In accordance with the requirements of paragraph 116 of IFRS 17, a reconciliation from the opening to the closing balance of the cumulative amounts included in other comprehensive income for financial assets measured at fair value through other comprehensive income related to the groups of insurance contracts is provided below.

Valuation reserve of financial assets measured at fair value through other comprehensive income related to Variable Fee Approach (VFA) insurance contracts that were measured at transition using the modified retrospective approach and the fair value approach

(millions of euro)

	31.12.2025			31.12.2024		
	Contracts measured at fair value at the transition date	Contracts measured using the modified retrospective approach at the transition date	Total	Contracts measured at fair value at the transition date	Contracts measured using the modified retrospective approach at the transition date	Total
OCI reserve for VFA products - Beginning of year amounts (before tax)	**-2,232**	**-187**	**-2,419**	**-3,279**	**-228**	**-3,507**
Gains/losses recognised in OCI during the year	1,239	261	1,500	896	50	946
Reclassification to the income statement	34	3	37	151	-9	142
OCI reserve for VFA products - End of year amounts (before tax)	**-959**	**77**	**-882**	**-2,232**	**-187**	**-2,419**

11.5 Measurement components of insurance contracts issued recognised during the year

Insurance contracts issued with direct participation features - Life Segment

(millions of euro)

Captions/Groups of contracts	Contracts originated			Contracts originated		
	31.12.2025			31.12.2024		
	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
A. Estimate of the present value of future cash outflows						
1. Contract acquisition costs	-	579	579	50	343	393
2. Amount of claims and other directly attributable expenses	-	16,591	16,591	1,901	11,961	13,862
3. Total	-	17,170	17,170	1,951	12,304	14,255
B. Estimate of the present value of future cash inflows	-	18,622	18,622	1,845	14,384	16,229
C. Estimate of the net present value of future cash flows (A-B)	**-**	**-1,452**	**-1,452**	**106**	**-2,080**	**-1,974**
D. Estimate of the adjustment for non-financial risks	-	54	54	5	33	38
E. Derecognition of assets/liabilities already recognised for cash flows related to insurance contracts issued	-	-	-	-	-	-
F. Contractual service margin	-	1,398	1,398	-	1,936	1,936
G. Increase included in the liability for insurance contracts issued in the year (C+D+E+F)	**-**	**-**	**-**	**111**	**-111**	**-**

Insurance contracts issued without direct participation features - Life Segment

(millions of euro)

Captions/Groups of contracts	Contracts originated			Contracts originated		
	31.12.2025			31.12.2024		
	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
A. Estimate of the present value of future cash outflows						
1. Contract acquisition costs	-	12	12	-	7	7
2. Amount of claims and other directly attributable expenses	-	32	32	-	11	11
3. Total	-	44	44	-	18	18
B. Estimate of the present value of future cash inflows	-	106	106	-	68	68
C. Estimate of the net present value of future cash flows (A-B)	**-**	**-62**	**-62**	**-**	**-50**	**-50**
D. Estimate of the adjustment for non-financial risks	-	1	1	-	-	-
E. Derecognition of assets/liabilities already recognised for cash flows related to insurance contracts issued	-	-	-	-	-	-
F. Contractual service margin	-	61	61	-	50	50
G. Increase included in the liability for insurance contracts issued in the year (C+D+E+F)	**-**	**-**	**-**	**-**	**-**	**-**

Insurance contracts issued without direct participation features – Non-Life Segment – Non-Motor

(millions of euro)

Captions/Groups of contracts	Contracts originated			Contracts originated		
	31.12.2025			31.12.2024		
	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
A. Estimate of the present value of future cash outflows						
1. Contract acquisition costs	-	37	37	-	27	27
2. Amount of claims and other directly attributable expenses	-	23	23	-	16	16
3. Total	-	60	60	-	43	43
B. Estimate of the present value of future cash inflows	-	135	135	-	115	115
C. Estimate of the net present value of future cash flows (A-B)	**-**	**-75**	**-75**	**-**	**-72**	**-72**
D. Estimate of the adjustment for non-financial risks	-	5	5	-	2	2
E. Derecognition of assets/liabilities already recognised for cash flows related to insurance contracts issued	-	-	-	-	-	-
F. Contractual service margin	-	70	70	-	70	70
G. Increase included in the liability for insurance contracts issued in the year (C+D+E+F)	**-**	**-**	**-**	**-**	**-**	**-**

11.6 Insurance contracts issued – Contractual service margin broken down by expected timing of recognition in the income statement

(millions of euro)

Basis of aggregation/Expected times	Up to 1 year	From over 1 year up to 2 years	From over 2 years up to 3 years	From over 3 years up to 4 years	From over 4 years up to 5 years	From over 5 years up to 10 years	From over 10 years up to 20 years	Over 20 years	Total
Life business	1,094	974	861	753	650	2,248	1,862	737	**9,179**
Non-life Business	49	42	35	30	24	75	53	12	**320**

The table above, as required by IFRS 17, shows the breakdown of the CSM by time bands.

11.7 Insurance contracts issued – Development of claims gross of reinsurance (Non-Life Segment)

(millions of euro)

Claims/Time bands	Year 31.12.2016	Year 31.12.2017	Year 31.12.2018	Year 31.12.2019	Year 31.12.2020	Year 31.12.2021	Year 31.12.2022	Year 31.12.2023	Year 31.12.2024	Year 31.12.2025	Total
A. Cumulative claims paid and other directly attributable expenses paid											
1. At the end of the year of occurrence	269	277	353	475	329	558	410	360	273	305	X
2. One year later	157	201	201	174	204	310	254	356	231	X	X
3. Two years later	29	34	33	35	35	51	42	58	X	X	X
4. Three years later	10	9	9	11	13	15	11	X	X	X	X
5. Four years later	3	4	6	4	7	10	X	X	X	X	X
6. Five years later	2	2	4	4	3	X	X	X	X	X	X
7. Six years later	1	4	3	3	X	X	X	X	X	X	X
8. Seven years later	3	1	4	X	X	X	X	X	X	X	X
9. Eight years later	1	1	X	X	X	X	X	X	X	X	X
10. Nine years later	1	X	X	X	X	X	X	X	X	X	X
Total cumulative claims paid and other directly attributable expenses paid (Total A)	**476**	**533**	**613**	**706**	**591**	**944**	**717**	**774**	**504**	**305**	**6,163**
B. Estimate of the ultimate cumulative claims cost (amount gross of reinsurance contracts held, undiscounted)											
1. At the end of the year of occurrence	269	277	353	475	329	558	410	360	273	778	X
2. One year later	157	201	201	174	204	310	254	356	341	X	X
3. Two years later	29	34	33	35	35	51	42	111	X	X	X
4. Three years later	10	9	9	11	13	15	41	X	X	X	X
5. Four years later	3	4	6	4	7	30	X	X	X	X	X
6. Five years later	2	2	4	4	12	X	X	X	X	X	X
7. Six years later	1	4	3	16	X	X	X	X	X	X	X
8. Seven years later	3	1	13	X	X	X	X	X	X	X	X
9. Eight years later	1	7	X	X	X	X	X	X	X	X	X
10. Nine years later	4	X	X	X	X	X	X	X	X	X	X
Estimate of the undiscounted gross ultimate cumulative claims cost at the reporting date (Total B)	**479**	**539**	**622**	**719**	**600**	**964**	**747**	**827**	**614**	**778**	**6,889**
C. Gross undiscounted liability for incurred claims - year of occurrence T to T-9 (Total B - Total A)	**3**	**6**	**9**	**13**	**9**	**20**	**30**	**53**	**110**	**473**	**726**
D. Gross undiscounted liability for incurred claims - years prior to T-9	X	X	X	X	X	X	X	X	X	X	**15**
E. Effect of discounting	X	X	X	X	X	X	X	X	X	X	**-22**
F. Effect of the adjustment for non-financial risks	X	X	X	X	X	X	X	X	X	X	**19**
G. Gross liability for incurred claims for insurance contracts issued	X	X	X	X	X	X	X	X	X	X	**738**

11.8 Insurance contracts issued – Development of claims net of reinsurance (Non-Life Segment)

(millions of euro)

Claims/Time bands	Year 31.12.2016	Year 31.12.2017	Year 31.12.2018	Year 31.12.2019	Year 31.12.2020	Year 31.12.2021	Year 31.12.2022	Year 31.12.2023	Year 31.12.2024	Year 31.12.2025	Total
A. Cumulative claims paid and other directly attributable expenses paid net of reinsurance											
1. At the end of the year of occurrence	176	177	234	361	268	441	385	325	250	289	X
2. One year later	149	189	197	163	146	213	228	245	214	X	X
3. Two years later	26	33	32	34	34	47	38	51	X	X	X
4. Three years later	10	9	9	10	12	14	10	X	X	X	X
5. Four years later	3	4	6	4	6	8	X	X	X	X	X
6. Five years later	2	2	3	4	3	X	X	X	X	X	X
7. Six years later	1	3	3	3	X	X	X	X	X	X	X
8. Seven years later	2	1	4	X	X	X	X	X	X	X	X
9. Eight years later	1	2	X	X	X	X	X	X	X	X	X
10. Nine years later	1	X	X	X	X	X	X	X	X	X	X
Total cumulative claims paid and other directly attributable expenses paid net of reinsurance (Total A)	**371**	**420**	**488**	**579**	**469**	**723**	**661**	**621**	**464**	**289**	**5,085**
B. Estimate of the ultimate cumulative claims cost (amount net of reinsurance contracts held, undiscounted)											
1. At the end of the year of occurrence	176	177	234	361	268	441	385	325	250	727	X
2. One year later	149	189	197	163	146	213	228	245	309	X	X
3. Two years later	26	33	32	34	34	47	38	94	X	X	X
4. Three years later	10	9	9	10	12	14	34	X	X	X	X
5. Four years later	3	4	6	4	6	24	X	X	X	X	X
6. Five years later	2	2	3	4	11	X	X	X	X	X	X
7. Six years later	1	3	3	15	X	X	X	X	X	X	X
8. Seven years later	2	1	12	X	X	X	X	X	X	X	X
9. Eight years later	1	5	X	X	X	X	X	X	X	X	X
10. Nine years later	4	X	X	X	X	X	X	X	X	X	X
Estimate of the undiscounted gross ultimate cumulative claims cost at the reporting date (Total B)	**374**	**423**	**496**	**591**	**477**	**739**	**685**	**664**	**559**	**727**	**5,735**
C. Net undiscounted liability for incurred claims - year of occurrence T to T-9 (Total B - Total A)	**3**	**3**	**8**	**12**	**8**	**16**	**24**	**43**	**95**	**438**	**650**
D. Gross undiscounted liability for incurred claims - years prior to T-9	X	X	X	X	X	X	X	X	X	X	**12**
E. Effect of discounting	X	X	X	X	X	X	X	X	X	X	**-19**
F. Effect of the adjustment for non-financial risks	X	X	X	X	X	X	X	X	X	X	**16**
G. Net liability for incurred claims for insurance contracts issued	X	X	X	X	X	X	X	X	X	X	**659**

Other information

There is no other information to be noted in addition to the above.

SECTION 12 – REDEEMABLE SHARES – CAPTION 130

These are not present for the Group.

SECTION 13 – GROUP SHAREHOLDERS' EQUITY – CAPTIONS 120, 130, 140, 150, 160, 170 AND 180

13.1 Share capital and Treasury shares: breakdown

For information on this section, see point 13.3 below.

13.2 Share capital – Parent Company's number of shares: annual changes

Captions/Type	Ordinary
A. Initial number of shares	**17,803,670,501**
- fully paid-in	*17,803,670,501*
- not fully paid-in	-
A.1 Treasury shares (-)	-25,629,058
A.2 Shares outstanding: initial number	**17,778,041,443**
B. Increases	**27,179,067**
B.1 New issues	-
- for consideration:	-
- business combinations	-
- conversion of bonds	-
- exercise of warrants	-
- other	-
- for free:	-
- in favour of employees	-
- in favour of directors	-
- other	-
B.2 Sale of treasury shares	27,179,067
B.3 Other	-
C. Decreases	**-417,488,485**
C.1 Annulment	-390,280,888
C.2 Purchase of treasury shares	-27,207,597
C.3 Disposal of companies	-
C.4 Other	-
D. Shares outstanding: final number	**17,387,732,025**
D.1 Treasury shares (+)	25,657,588
D.2 Final number of shares	17,413,389,613
- fully paid-in	-
- not fully paid-in	-

In 2025, capital was affected by the annulment of 390,280,888 ordinary shares following the purchase of own shares in the period from 2 June to 17 October 2025 in execution of the buyback plan announced to the market on 26 May 2025. During that period, a total of 390,280,888 shares with no par value were purchased, equal to around 2.19% of the pre-annulment share capital, at an average purchase price per share of 5.1245 euro, for a total value of 1,999,999,997.95 euro. The shares were annulled on 12 October 2025; as a result of the annulments, the share capital changed its composition, due to the reduction in the number of shares constituting it, while its amount remained unchanged at 10,368,870,930.08 euro.
The caption "Purchase of own shares" includes purchases to service the free incentive plans for personnel. The programme was launched on 8 September 2025 and ended on 15 September 2025, resulting in the purchase of 23,800,000 ordinary shares of the Bank at an average purchase price per share of 5.4349 euro for a total amount of 129,350,330.52 euro; the Parent Company alone purchased 16,545,236 shares at an average purchase price per share of 5.4347 euro, for a total amount of 89,918,725.76 euro.

The purchase transactions were executed in compliance with the provisions included in Articles 2357 and following and 2359-bis and following of the Italian Civil Code and within the limits determined in the resolutions passed by the Shareholders' Meeting of Intesa Sanpaolo of 29 April 2025.

13.3 Share capital: other information

The share capital of Intesa Sanpaolo as at 31 December 2025 amounted to 10,369 million euro, divided into 17,413,389,613 ordinary shares, with no par value. Each ordinary share gives the right to one vote in the Shareholders' Meeting. The share capital is fully paid-in. As at 31 December 2025, the Group holds treasury shares of Intesa Sanpaolo of 240 million euro, of which approximately 126 million euro attributable to the Parent Company, 78 million euro attributable to Banca Fideuram and the remaining 36 million euro to the other Group companies.

13.4 Reserves from retained earnings: other information

Group reserves amounted to 15,305 million euro and included the legal reserve, extraordinary reserve, concentration reserves (Law 218 of 30 July 1990, art. 7, par. 3 and Law 218 of 30 July 1990, art. 7) and other reserves, as well as the consolidation reserve.

The legal reserve, set up as provided for by law, must be at least one fifth of share capital; in the past it was set up by allocating each year at least one twentieth of net income for the year. Should the reserve decrease, it must be reintegrated by allocating at least one twentieth of net income for the year.

Concentration reserves under Law 218 of 30 July 1990 were set up at the time of reorganisations or concentrations carried out pursuant to the aforementioned law.

Consolidation reserves were generated following the elimination of the book value of equity investments against the corresponding portion of the shareholders' equity of each investment.

The valuation reserves amounted to a negative figure of 1,512 million euro and included valuation reserves for assets measured at fair value through other comprehensive income of -1,290 million euro, valuation reserves pertaining to insurance companies of -373 million euro, reserves for cash flow hedges of -117 million euro, exchange rate valuation reserves (relating to fully consolidated equity investments) of -1,486 million euro, reserves relating to the hedging of foreign investments of 29 million euro, reserves for revaluations of property and equipment and legally-required revaluation reserves of 2,160 million euro, valuation reserves relating to financial liabilities designated at fair value through profit or loss (changes in the Group's own credit rating) of -229 million euro, as well as the negative reserve on actuarial profits (losses) from defined benefit pension plans of -147 million euro, in addition to approximately -1 million euro of valuation reserves connected to minority equity investments.

13.5 Equity instruments: breakdown and annual changes

Issuer	Interest rate	Step-up	Issue date	Expiry date	Early redemption as of	Currency	Original amount in currency	Book value (millions of euro)
Intesa Sanpaolo	7.75% fixed rate payable semi-annually	no	11-Jan-2017	perpetual	11-Jan-2027	Eur	1,250,000,000	1,251
Intesa Sanpaolo	4.125% fixed rate payable semi-annually	no	27-Feb-2020	perpetual	27-Feb-2030	Eur	750,000,000	733
Intesa Sanpaolo	5.5% fixed rate payable semi-annually	no	01-Sep-2020	perpetual	01-Mar-2028	Eur	750,000,000	745
Intesa Sanpaolo	5.875% fixed rate payable semi-annually	no	01-Sep-2020	perpetual	01-Sep-2031	Eur	750,000,000	743
Intesa Sanpaolo	6.375% fixed rate payable semi-annually	no	30-Mar-2022	perpetual	30-Mar-2028 - 30-Sep-2028	Eur	1,000,000,000	983
Intesa Sanpaolo	9.125% fixed rate payable semi-annually	no	07-Sep-2023	perpetual	07-Sep-2029 - 07-Mar-2030	Eur	1,250,000,000	1,248
Intesa Sanpaolo	7.00% fixed rate payable semi-annually	no	20-May-2024	perpetual	20-May-2032	Eur	1,000,000,000	996
Intesa Sanpaolo	6.375% fixed rate payable semi-annually	no	26-May-2025	perpetual	26-May-2033	Eur	1,000,000,000	987
REYL & Cie SA	4.75%	no	30-Nov-2018	perpetual	30-Nov-2023	CHF	12,000,000	6
REYL & Cie SA	4.75%	no	30-Nov-2019	perpetual	30-Nov-2024	CHF	15,000,000	12
Total								**7,704**

Following prior authorisation from the Supervisory Authority, on 20 January 2025 and 27 February 2025 two euro-denominated bonds with a total nominal value of 1,150 million euro were redeemed early, and on 17 September 2025 a USD-denominated bond with a nominal value of 1 billion US dollars was redeemed early. On 26 May 2025, a euro-denominated bond was issued for a nominal amount of 1 billion euro, at a fixed rate with an annual coupon of 6.375% payable half-yearly. These are perpetual instruments with an early redemption option that can be exercised by the issuer from the eighth year.

13.6 Other information

Pursuant to Art. 2433-bis, paragraph 4, of the Italian Civil Code, Intesa Sanpaolo distributed an interim dividend for 2025 to each of the 17,413,389,613 ordinary shares comprising the share capital. The total amount disbursed was 3,233,844,856.62 euro[364], corresponding to a unit dividend of 18.6 euro cents per ordinary share. The dividend was paid out on 26 November 2025 (with coupon presentation on 24 November and record date on 25 November).
The Group's Share premium reserve and other reserves were reduced by a total of 570 million in connection with the one-off levy provided for by Law 199 of 30 December 2025. The Shareholders' Meetings of Intesa Sanpaolo and of the subsidiaries to which the 2025 Financial Statements are submitted for approval are called upon to decide on the approval of the allocation of the one-off levy to the specific Shareholders' Equity reserves identified by their respective Boards of Directors. Please refer to the specific paragraph in the Notes to the Financial Statements - Part A - Accounting Policies for further information.

SECTION 14 - MINORITY INTERESTS – CAPTION 190

For details regarding the breakdown of minority interests, see section F, "Part B.1. Consolidated shareholders' equity: breakdown by type of company".

14.1 Breakdown of caption 190 Minority interests

(millions of euro)

Companies		31.12.2025	31.12.2024
Investments in consolidated companies with significant minority interests		**150**	**141**
1	Bank of Alexandria	127	114
2	Alpian S.A.	19	20
3	Eurizon Capital Real Asset S.p.A.	4	3
4	Eurizon SLJ Capital Limited	-	3
5	Risanamento S.p.A.	-	1
Other investments		**2**	**4**
TOTAL		**152**	**145**

14.2 Equity instruments: breakdown and annual changes

There were no equity instruments pertaining to minority interests.

[364] It does not include the interim dividend on the 27,126,943 own shares held at the record date, equal to 5,045,611.40 euro.

OTHER INFORMATION

1. Commitments and financial guarantees given

(millions of euro)

	Commitments and financial guarantees given - nominal amount				31.12.2025	31.12.2024
	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
1. Commitments to disburse funds	**235,735**	**16,497**	**893**	**-**	**253,125**	**242,207**
a) Central Banks	1,222	18	-	-	1,240	1,279
b) Public Administration	13,381	887	9	-	14,277	12,334
c) Banks	31,165	362	-	-	31,527	29,373
d) Other financial companies	26,773	2,696	5	-	29,474	25,255
e) Non-financial companies	147,793	11,829	845	-	160,467	159,731
f) Households	15,401	705	34	-	16,140	14,235
2. Financial guarantees given	**44,556**	**5,312**	**1,042**	**-**	**50,910**	**49,702**
a) Central Banks	-	-	-	-	-	-
b) Public Administration	567	2	-	-	569	516
c) Banks	4,638	81	-	-	4,719	4,408
d) Other financial companies	673	255	2	-	930	1,050
e) Non-financial companies	38,229	4,949	1,036	-	44,214	43,109
f) Households	449	25	4	-	478	619

In this table - in accordance with the instructions of Circular 262 - the Commitments to disburse funds include the commitments that can give rise to credit risk subject to the rules for determining the expected loss in accordance with IFRS 9, including revocable margins available on credit lines granted to customers and banks (for a total amount of 146,644 million euro in 2025).

2. Other commitments and other guarantees given

As at 31 December 2025 there were no exposures of this type.

3. Assets pledged as collateral of liabilities and commitments

(millions of euro)

Portfolios	31.12.2025	31.12.2024
1. Financial assets measured at fair value through profit or loss	4,317	1,893
2. Financial assets measured at fair value through other comprehensive income	28,605	17,891
3. Financial assets measured at amortised cost	200,817	193,703
4. Property and equipment	-	-
of which: property and equipment that constitute inventories	-	-

Intragroup deposits of 127 million euro, established to serve securities lending with subjects outside the Group, were netted.

4. Breakdown of investments related to unit-linked and index-linked policies

(millions of euro)

	Disbursements connected with investment funds and market indices	Disbursements in connection with pension funds management	31.12.2025
Assets in the balance sheet	-78,918	-11,503	-90,421
Intra-group assets	-207	-6	-213
Total Assets	**-79,125**	**-11,509**	**-90,634**
Financial liabilities in the balance sheet	50,116	-	50,116
Technical reserves in the balance sheet	13,846	11,584	25,430
Intra-group liabilities	-	2	2
Total Liabilities	**63,962**	**11,586**	**75,548**

5. Management and dealing on behalf of third parties

(millions of euro)

Type of service	31.12.2025
1. Trading on behalf of customers	
a) Purchases	362,134
1. settled	*362,134*
2. to be settled	-
b) Sales	366,853
1. settled	*366,853*
2. to be settled	-
2. Portfolio management	
a) individual	96,201
b) collective	251,226
3. Custody and administration of securities	
a) third party securities held in deposit: related to depositary bank activities (excluding portfolio management)	7,821
1. securities issued by companies included in the consolidation area	-
2. other securities	*7,821*
b) third-party securities held in deposit (excluding portfolio management): other	769,462
1. securities issued by companies included in the consolidation area	*60,194*
2. other securities	*709,268*
c) third party securities deposited with third parties	745,196
d) portfolio securities deposited with third parties	339,618
4. Other	**778,062**

Note regarding contractual clauses of financial payables

In relation to point 3: "IFRS 7 – Contractual clauses of financial payables", of Bank of Italy/Consob/ISVAP document no. 4 of March 2010, the following is specified:

– there were no cases of non-compliance by Intesa Sanpaolo Group companies with the relative contractual clauses set forth in bond issues, medium-/long-term loans received from financial entities and other debt contracts, which involved or which could involve the application of acceleration clauses;
– bond issues, medium-/long-term loans received from Supranational Organisations and other debt contracts of Intesa Sanpaolo Group companies may contain standard negative pledges and covenants based on current practice.

Due to the nature of commitments undertaken, in line with market practices, and the remote probability of default, these clauses may be considered as immaterial.

6. Financial assets subject to offsetting in the financial statements or subject to master netting arrangements or similar agreements

(millions of euro)

Types	Gross amount of financial assets (a)	Amount of financial liabilities offset in the balance sheet (b)	Net amount of financial assets presented in the balance sheet (c = a-b)	Related amounts not subject to offsetting in the balance sheet		Net amount 31.12.2025 (f=c-d-e)	Net amount 31.12.2024
				Financial instruments (d)	Cash collateral (e)		
1. Derivatives	79,660	53,868	25,792	13,659	11,729	404	676
2. Repurchase agreements	42,162	-	42,162	41,892	77	193	121
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
TOTAL 31.12.2025	**121,822**	**53,868**	**67,954**	**55,551**	**11,806**	**597**	**X**
TOTAL 31.12.2024	**112,839**	**56,469**	**56,370**	**45,990**	**9,583**	**X**	**797**

7. Financial liabilities subject to offsetting in the financial statements or subject to master netting arrangements or similar agreements

(millions of euro)

Types	Gross amount of financial liabilities (a)	Amount of financial assets offset in the balance sheet (b)	Net amount of financial liabilities presented in the balance sheet (c=a-b)	Related amounts not subject to offsetting in the balance sheet		Net amount 31.12.2025 (f=c-d-e)	Net amount 31.12.2024
				Financial instruments (d)	Cash deposits pledged as collateral (e)		
1. Derivatives	74,006	53,868	20,138	14,336	4,779	1,023	656
2. Repurchase agreements	68,522	-	68,522	68,096	-	426	441
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
TOTAL 31.12.2025	**142,528**	**53,868**	**88,660**	**82,432**	**4,779**	**1,449**	**X**
TOTAL 31.12.2024	**120,713**	**56,469**	**64,244**	**54,558**	**8,589**	**X**	**1,097**

IFRS 7, amended in 2013, requires specific disclosure for financial instruments that have been offset in the Balance Sheet pursuant to IAS 32 or that may be potentially offset, upon occurrence of specific conditions, but are recognised in the Balance Sheet without any netting since they are regulated by “master netting arrangements or similar agreements” that do not respect all of the criteria set forth by IAS 32, paragraph 42.
In this respect, the Intesa Sanpaolo Group has netting arrangements in force that meet the requirements envisaged by IAS 32, paragraph 42, for netting in the financial statements.
In terms of instruments that may be potentially offset upon occurrence of such events and to be presented in Tables 6 and 7, it is noted that the Intesa Sanpaolo Group uses bilateral netting arrangements that allow, in the event of counterparty default, the netting of claims and obligations in relation to financial and credit derivatives, as well as securities financing transactions (SFTs). In particular, there are ISDA agreements (for transactions in derivatives), GMRAs (for repurchase agreements) and GMSLAs (for securities lending).
With regard to securities lending transactions, only those transactions that require the payment of a cash guarantee fully available to the lender must also be reported in tables 6 and 7, as this is the only type of transaction recognised in the Balance Sheet. The Intesa Sanpaolo Group did not have any such transactions as at 31 December 2025.
For the purposes of preparing the tables and in compliance with the provisions of IFRS 7 and the new provisions that govern the financial statements of banks, the following are noted:

– the effects of the potential offsetting of the balance sheet values of financial assets and liabilities are indicated under column (d) “Financial instruments”, together with the fair value of financial collateral consisting of securities;
– the effects of the potential offsetting of the exposure with the relative cash collateral are included under column (e) “Cash deposits received/pledged as collateral”;
– repurchase agreement transactions are recognised in the tables based on the amortised cost measurement criterion, while the relative collateral is measured at fair value;
– derivatives transactions are recognised at fair value.

These effects are calculated for each individual counterparty included in a master netting arrangement, to the extent of the exposure indicated in column (c).

Based on the preparation methods indicated above, the netting arrangements between financial instruments and the relative collateral permit a significant reduction in credit/debt exposure to the counterparty, as indicated under column (f) “Net amount”.

8. Securities lending transactions

The securities lending accessory banking service, offered mainly by the Parent Company and by Intesa Sanpaolo Private Banking (ISPB) to their customers (natural persons, legal entities and commercial entities), is worth mentioning. The contract involves transfer of the ownership of a certain quantity of securities of a specific type, with the obligation for ISPPB to return them, paying a consideration amount as remuneration for their availability. The transaction involves government bonds that ISPPB in turn transfers to the Parent Company Intesa Sanpaolo for non-speculative purposes.
As at 31 December 2025, the collateral of transactions mainly referring to ISPPB amounted to 127 million euro.

9. Disclosure on joint-control assets

These are not present in the Intesa Sanpaolo Group.

Part C – Information on the Consolidated income statement

SECTION 1 – INTEREST – CAPTIONS 10 AND 20

1.1. Interest and similar income: breakdown

(millions of euro)

Captions/Types	Debt securities	Loans	Other transactions	2025	2024
1. Financial assets measured at fair value through profit or loss	**284**	**54**	**-**	**338**	**215**
1.1 Financial assets held for trading	274	1	-	275	130
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	10	53	-	63	85
2. Financial assets measured at fair value through other comprehensive income	**5,194**	**104**	**X**	**5,298**	**4,900**
3. Financial assets measured at amortised cost	**2,194**	**17,625**	**X**	**19,819**	**24,538**
3.1 Due from banks	129	2,360	X	2,489	4,241
3.2 Loans to customers	2,065	15,265	X	17,330	20,297
4. Hedging derivatives	**X**	**X**	**1,215**	**1,215**	**3,661**
5. Other assets	**X**	**X**	**1,087**	**1,087**	**1,287**
6. Financial liabilities	**X**	**X**	**X**	**1**	**1**
Total	**7,672**	**17,783**	**2,302**	**27,758**	**34,602**
of which: interest income on impaired financial assets	*15*	*483*	*-*	*498*	*546*
of which: interest income on financial lease	*X*	*310*	*X*	*310*	*427*

Interest and similar income also includes interest income on debt securities relating to repurchase agreements.
Interest on impaired financial assets also includes interest due to the passing of time, equal to 157 million euro relating to customers (time value) which came to 168 million euro in 2024.
The caption “Hedging derivatives” includes the differentials on hedging transactions, which adjust interest income recognised on hedged financial instruments.
“Financial liabilities” include, in marginal amounts, interest on funding transactions with negative rates.
Finally, the caption “Financial assets measured at amortised cost”, sub-caption “Due from banks”, includes interest on “on demand” loans due from banks and central banks classified in the balance sheet to the caption “Cash and cash equivalents”.

The total amount of the Interest and similar income as at 31 December 2025 of 27,758 million euro (34,602 million euro as at 31 December 2024) consisted of 25,025 million euro for the “Banking Group”, 2,511 million euro for the “Insurance Companies”, and 222 million euro for the “Other companies”; as at 31 December 2024, these amounts were 31,700 million euro, 2,469 million euro and 433 million euro respectively. The details for the “Banking Group” and “Insurance Companies” are provided below.

1.1. Interest and similar income: breakdown (of which: Banking Group)

(millions of euro)

Captions/Types	Debt securities	Loans	Other transactions	2025	2024
1. Financial assets measured at fair value through profit or loss	**284**	**54**	**-**	**338**	**215**
1.1 Financial assets held for trading	274	1	-	275	130
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	10	53	-	63	85
2. Financial assets measured at fair value through other comprehensive income	**2,693**	**104**	**X**	**2,797**	**2,438**
3. Financial assets measured at amortised cost	**1,998**	**17,599**	**X**	**19,597**	**24,119**
3.1 Due from banks	128	2,351	X	2,479	4,232
3.2 Loans to customers	1,870	15,248	X	17,118	19,887
4. Hedging derivatives	**X**	**X**	**1,214**	**1,214**	**3,644**
5. Other assets	**X**	**X**	**1,078**	**1,078**	**1,283**
6. Financial liabilities	**X**	**X**	**X**	**1**	**1**
Total	**4,975**	**17,757**	**2,292**	**25,025**	**31,700**
of which: interest income on impaired financial assets	*15*	*483*	*-*	*498*	*546*
of which: interest income on financial lease	*X*	*310*	*X*	*310*	*427*

1.1. Interest and similar income: breakdown (of which: Insurance companies)

(millions of euro)

Captions/Types	Debt securities	Loans	Other transactions	2025	2024
1. Financial assets measured at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
1.1 Financial assets held for trading	-	-	-	-	-
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	-	-	-	-	-
2. Financial assets measured at fair value through other comprehensive income	**2,501**	**-**	**X**	**2,501**	**2,462**
3. Financial assets measured at amortised cost	**-**	**8**	**X**	**8**	**7**
3.1 Due from banks	-	8	X	8	7
3.2 Loans to customers	-	-	X	-	-
4. Hedging derivatives	**X**	**X**	**-**	**-**	**-**
5. Other assets	**X**	**X**	**2**	**2**	**-**
6. Financial liabilities	**X**	**X**	**X**	**-**	**-**
Total	**2,501**	**8**	**2**	**2,511**	**2,469**
of which: interest income on impaired financial assets	*-*	*-*	*-*	*-*	*-*
of which: interest income on financial lease	*X*	*-*	*X*	*-*	*-*

1.2. Interest and similar income: other information

1.2.1 Interest income on foreign currency financial assets

The balance as at 31 December 2025 includes 5,653 million euro relating to financial assets in foreign currency.

1.3 Interest and similar expense: breakdown

(millions of euro)

Captions/Types	Debts	Securities	Other transactions	2025	2024
1. Financial liabilities measured at amortised cost	**5,095**	**3,882**	**X**	**8,977**	**12,196**
1.1 Due to Central Banks	90	X	X	90	654
1.2 Due to banks	1,813	X	X	1,813	2,757
1.3 Due to customers	3,192	X	X	3,192	4,255
1.4 Securities issued	X	3,882	X	3,882	4,530
2. Financial liabilities held for trading	**1**	**-**	**-**	**1**	**1**
3. Financial liabilities designated at fair value	**1**	**-**	**-**	**1**	**1**
4. Other liabilities and allowances	**X**	**X**	**202**	**202**	**201**
5. Hedging derivatives	**X**	**X**	**1,021**	**1,021**	**3,845**
6. Financial assets	**X**	**X**	**X**	**246**	**268**
Total	**5,097**	**3,882**	**1,223**	**10,448**	**16,512**
of which: interest expense on lease liabilities	*26*	*X*	*X*	*26*	*25*

The caption “Amounts due to central banks” included, as at 31 December 2024, interest expenses of 526 million euro on TLTROs, which were gradually repaid during 2024.

Lastly, the caption “Hedging derivatives” includes the differentials on hedging transactions, which adjust interest expense recognised on hedged financial instruments.
“Financial assets” include residual interest on lending transactions with negative rates.

The total amount of the Interest expense as at 31 December 2025 of 10,448 million euro (16,512 million euro as at 31 December 2024) consisted of 10,140 million euro for the “Banking Group”, 294 million euro for the “Insurance Companies”, and 14 million euro for the “Other companies”; as at 31 December 2024, these amounts were 16,157 million euro, 330 million euro and 25 million euro respectively.

1.4. Interest and similar expense: other information

1.4.1 Interest expense on foreign currency financial liabilities

Interest and similar expense in 2025 includes 2,988 million euro relative to financial liabilities in foreign currency.

1.5. Differentials on hedging transactions

(millions of euro)

Captions	2025	2024
A. Positive differentials on hedging transactions	7,129	9,160
B. Negative differentials on hedging transactions	-6,935	-9,344
C. Balance (A-B)	**194**	**-184**

These amounts essentially refer to the “Banking Group”.

SECTION 2 – NET FEE AND COMMISSION INCOME - CAPTIONS 40 AND 50

2.1 Fee and commission income: breakdown

(millions of euro)

Type of service/Amounts	2025	2024
a) Financial instruments	**2,148**	**1,936**
1. Placement of securities	850	706
1.1 Through underwriting and/or on a firm commitment basis	1	3
1.2 Without firm commitment	849	703
2. Reception and transmission of orders and execution of orders on behalf of customers	321	295
2.1 Reception and transmission of orders for one or more financial instruments	152	149
2.2 Execution of orders on behalf of customers	169	146
3. Other fee and commission income related to activities connected to financial instruments	977	935
of which: dealing on own account	*3*	*2*
of which: individual portfolio management	*974*	*933*
b) Corporate Finance	**4**	**4**
1. M&A advisory	4	4
2. Treasury services	-	-
3. Other fee and commission income related to corporate finance services	-	-
c) Investment advice	**485**	**368**
d) Clearing and settlement	**-**	**-**
e) Collective portfolio management	**2,295**	**2,193**
f) Custody and administration	**107**	**110**
1. Depositary bank	6	6
2. Other fee and commission income related to custody and administration services	101	104
g) Central administrative services for collective portfolio management	**-**	**-**
h) Fiduciary services	**10**	**10**
i) Payment services	**3,187**	**3,176**
1. Current accounts	1,303	1,319
2. Credit cards	720	685
3. Debit cards and other payment cards	321	316
4. Credit transfers and other payment orders	404	435
5. Other fee and commission income related to payment services	439	421
j) Distribution of third-party services	**857**	**770**
1. Collective portfolio management	653	578
2. Insurance products	87	79
3. Other products	117	113
of which: individual portfolio management	*52*	*46*
k) Structured finance	**34**	**28**
l) Servicing related to securitisations	**5**	**5**
m) Commitments to disburse funds	**25**	**22**
n) Financial guarantees given	**502**	**509**
of which: credit derivatives	*2*	*1*
o) Financing transactions	**974**	**914**
of which: for factoring transactions	*76*	*78*
p) Currency dealing	**18**	**17**
q) Commodities	**-**	**-**
r) Other fee and commission income	**1,275**	**1,330**
of which: for management of multilateral trading facilities	-	-
of which: for management of organised trading facilities	-	-
Total	**11,926**	**11,392**

The sub-caption "Other fee and commission income" includes fee and commission income collected from insurance companies of 910 million euro.
The total amount of the Fee and commission income as at 31 December 2025 of 11,926 million euro (11,392 million euro as at 31 December 2024) consisted of 11,013 million euro for the "Banking Group", 910 million euro for the "Insurance Companies", and 3 million euro for the "Other companies"; as at 31 December 2024 these amounts were 10,397 million euro, 989 million euro and 6 million euro respectively.

As required by IFRS 15, paragraph 116 b), it is noted that fee and commission income includes the revenues recognised during the year included in the opening balance of liabilities deriving from contracts with customers. In line with paragraph 116 c) of IFRS 15, revenues deriving from performance obligations satisfied in the previous years are included, amounting to 3 million euro.

2.2 Fee and commission expense: breakdown

(millions of euro)

	2025	2024
a) Financial instruments	**268**	**266**
of which: trading in financial instruments	*42*	*49*
of which: placement of financial instruments	*214*	*209*
of which: individual portfolio management	*12*	*8*
- Own portfolio	*11*	*8*
- Third-party portfolio	*1*	*-*
b) Clearing and settlement	**39**	**35**
c) Collective portfolio management	**58**	**55**
- Own portfolio	21	12
- Third-party portfolio	37	43
d) Custody and administration	**100**	**96**
e) Collection and payment services	**673**	**676**
of which: credit cards, debit cards and other payment cards	*533*	*530*
f) Servicing related to securitisations	**-**	**-**
g) Commitments to receive funds	**-**	**-**
h) Financial guarantees received	**371**	**343**
of which: credit derivatives	*34*	*20*
i) Off-site distribution of financial instruments, products and services	**1,141**	**1,007**
j) Currency dealing	**5**	**6**
k) Other fee and commission expense	**279**	**297**
Total	**2,934**	**2,781**

The sub-caption "Other fee and commission expense" includes 28 million euro on the placement of investment insurance products, 152 million euro on banking services to Italian branches, 49 million euro on banking services to international branches and 50 million euro on other minor services.

The total amount of the Fee and commission expense as at 31 December 2025 of 2,934 million euro (2,781 million euro as at 31 December 2024) consisted of 2,885 million euro for the "Banking Group", 46 million euro for "Insurance Companies", and 3 million euro for "Other companies"; as at 31 December 2024 these amounts were 2,728 million euro, 50 million euro and 3 million euro respectively.

As required by IFRS 15, paragraph 116 b), it is noted that fee and commission income includes the revenues recognised during the year included in the opening balance of liabilities deriving from contracts with customers.
In line with paragraph 116 c) of IFRS 15, revenues deriving from performance obligations satisfied in the previous years are included, amounting to 6 million euro.

SECTION 3 – DIVIDEND AND SIMILAR INCOME - CAPTION 70

3.1 Dividend and similar income: breakdown

(millions of euro)

Captions/Income	2025		2024	
	Dividends	Similar income	Dividends	Similar income
A. Financial assets held for trading	143	3	70	3
B. Other financial assets mandatorily measured at fair value	698	194	526	141
C. Financial assets measured at fair value through other comprehensive income	51	5	57	3
D. Investments in associates and companies subject to joint control	-	-	-	-
Total	**892**	**202**	**653**	**147**

The total amount of Dividends and similar income as at 31 December 2025 of 1,094 million euro (800 million euro as at 31 December 2024) consisted of 404 million euro for the “Banking Group” and 690 million euro for the “Insurance Companies”; as at 31 December 2024, these amounts were 281 million euro and 519 million euro respectively.
The “similar income” of 202 million euro related to income on units of UCIs.

SECTION 4 – PROFITS (LOSSES) ON TRADING - CAPTION 80

4.1 Profits (Losses) on trading: breakdown

(millions of euro)

Transactions/Income components	Revaluations	Profits on trading	Write-downs	Losses on trading	Net result
1. Financial assets held for trading	**563**	**1,510**	**-267**	**-439**	**1,367**
1.1 Debt securities	55	322	-104	-245	28
1.2 Equities	487	1,166	-89	-190	1,374
1.3 Quotas of UCI	21	19	-20	-3	17
1.4 Loans	-	1	-5	-	-4
1.5 Other	-	2	-49	-1	-48
2. Financial liabilities held for trading	**21**	**4**	**-85**	**-44**	**-104**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	12	-	-22	-	-10
2.3 Other	9	4	-63	-44	-94
3. Financial assets and liabilities: foreign exchange differences	**X**	**X**	**X**	**X**	**-1,396**
4. Derivatives	**37,484**	**58,106**	**-37,958**	**-57,532**	**1,157**
4.1 Financial derivatives:	32,988	53,887	-33,417	-53,369	1,146
- on debt securities and interest rates	*30,875*	*41,644*	*-31,478*	*-40,978*	*63*
- on equities and stock indexes	*1,882*	*11,212*	*-1,578*	*-11,555*	*-39*
- on currencies and gold	*X*	*X*	*X*	*X*	*1,057*
- other	*231*	*1,031*	*-361*	*-836*	*65*
4.2 Credit derivatives	4,496	4,219	-4,541	-4,163	11
of which: natural hedging associated with the fair value option	*X*	*X*	*X*	*X*	-
Total	**38,068**	**59,620**	**-38,310**	**-58,015**	**1,024**

Profits and losses on Financial assets held for trading are shown for each single purchase or sale, in line with the method of accounting recognition used by the Bank, and include the results of both long and short positions.
"Net result" includes profits, losses, revaluations and write-downs on currency transactions and currency and gold derivatives.

The net result of Financial assets held for trading in equity instruments includes the contribution of transactions related to certificates that, at maturity, provide for the partial or full repayment of premiums paid. Therefore, this result must be read together with the net result of Financial liabilities designated at fair value in Securities issued.

The net result of the exchange differences on Financial assets and liabilities, reported in sub-caption 3, is connected to the result of sub-caption 4.1 relating to Derivatives - Financial derivatives on currencies and gold, which includes the results of the related operational hedges taken out by the Bank on foreign exchange risk using financial trading derivatives. Similarly, the result in Financial derivatives on debt securities and interest rates should be viewed in conjunction with the results of the Financial assets held for trading in Debt securities and Financial liabilities held for trading in Payables (short selling of securities) respectively, as these transactions are operationally linked to each other.
Regarding structured credit products and their impact on the income statement, for detailed information please refer to Part E of these Notes to the consolidated financial statements - Information on risks and relative hedging policies.

Below is the breakdown by "Banking Group" and "Insurance Companies", which together account for all of this caption.

4.1 Profits (Losses) on trading: breakdown (of which: Banking Group)

(millions of euro)

Transactions/Income components	Revaluations	Profits on trading	Write-downs	Losses on trading	Net result
1. Financial assets held for trading	**563**	**1,510**	**-267**	**-439**	**1,367**
1.1 Debt securities	55	322	-104	-245	28
1.2 Equities	487	1,166	-89	-190	1,374
1.3 Quotas of UCI	21	19	-20	-3	17
1.4 Loans	-	1	-5	-	-4
1.5 Other	-	2	-49	-1	-48
2. Financial liabilities held for trading	**21**	**4**	**-85**	**-44**	**-104**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	12	-	-22	-	-10
2.3 Other	9	4	-63	-44	-94
3. Financial assets and liabilities: foreign exchange differences	**X**	**X**	**X**	**X**	**-1,392**
4. Derivatives	**37,478**	**58,060**	**-37,905**	**-57,500**	**1,185**
4.1 Financial derivatives:	32,982	53,841	-33,364	-53,339	1,172
- on debt securities and interest rates	*30,875*	*41,628*	*-31,478*	*-40,977*	*48*
- on equities and stock indexes	*1,876*	*11,182*	*-1,525*	*-11,526*	*7*
- on currencies and gold	*X*	*X*	*X*	*X*	*1,052*
- other	*231*	*1,031*	*-361*	*-836*	*65*
4.2 Credit derivatives	4,496	4,219	-4,541	-4,161	13
of which: natural hedging associated with the fair value option	*X*	*X*	*X*	*X*	-
Total	**38,062**	**59,574**	**-38,257**	**-57,983**	**1,056**

4.1 Profits (Losses) on trading: breakdown (of which: Insurance companies)

(millions of euro)

Transactions/Income components	Revaluations	Profits on trading	Write-downs	Losses on trading	Net result
1. Financial assets held for trading	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-
1.2 Equities	-	-	-	-	-
1.3 Quotas of UCI	-	-	-	-	-
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	-	-
2. Financial liabilities held for trading	**-**	**-**	**-**	**-**	**-**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: foreign exchange differences	**X**	**X**	**X**	**X**	**-4**
4. Derivatives	**6**	**46**	**-53**	**-32**	**-28**
4.1 Financial derivatives:	6	46	-53	-30	-26
- on debt securities and interest rates	*-*	*16*	*-*	*-1*	*15*
- on equities and stock indexes	*6*	*30*	*-53*	*-29*	*-46*
- on currencies and gold	*X*	*X*	*X*	*X*	*5*
- other	*-*	*-*	*-*	*-*	*-*
4.2 Credit derivatives	-	-	-	-2	-2
of which: natural hedging associated with the fair value option	*X*	*X*	*X*	*X*	*-*
Total	**6**	**46**	**-53**	**-32**	**-32**

SECTION 5 – FAIR VALUE ADJUSTMENTS IN HEDGE ACCOUNTING - CAPTION 90

5.1 Fair value adjustments in hedge accounting: breakdown

(millions of euro)

Income component/Amount	2025	2024
A. Income from:		
A.1 fair value hedge derivatives	6,958	4,305
A.2 financial assets hedged (fair value)	267	2,968
A.3 financial liabilities hedged (fair value)	2,400	215
A.4 cash flow hedge: derivatives	-	-
A.5 currency assets and liabilities	-	14
Total income from hedging (A)	**9,625**	**7,502**
B. Expenses for		
B.1 fair value hedge derivatives	-1,996	-4,022
B.2 financial assets hedged (fair value)	-6,187	-837
B.3 financial liabilities hedged (fair value)	-1,445	-2,621
B.4 cash flow hedge: derivatives	-	-1
B.5 currency assets and liabilities	-	-14
Total expense from hedging (B)	**-9,628**	**-7,495**
C. Fair value adjustments in hedge accounting (A - B)	**-3**	**7**
of which: fair value adjustments in hedge accounting on net positions	-	-

This caption mainly relates to the “Banking Group”.
The Group has exercised the option, provided for on the introduction of IFRS 9, of continuing to fully apply the provisions of IAS 39 on hedge accounting (in the carved-out version endorsed by the European Commission) for each type of hedge (both for micro hedges and macro hedges). For this reason, table “5.1 Fair value adjustments in hedge accounting: breakdown”, contains no amounts in the row “of which: profits (losses) on hedges of net positions” envisaged for parties that apply IFRS 9 also to hedges.

SECTION 6 – PROFITS (LOSSES) ON DISPOSAL OR REPURCHASE - CAPTION 100

6.1 Profits (Losses) on disposal or repurchase: breakdown

(millions of euro)

Captions/Income components	2025			2024		
	Profits	Losses	Net result	Profits	Losses	Net result
A. Financial assets						
1. Financial assets measured at amortised cost	321	-113	208	223	-173	50
1.1 Due from banks	*10*	*-*	*10*	*7*	*-22*	*-15*
1.2 Loans to customers	*311*	*-113*	*198*	*216*	*-151*	*65*
2. Financial assets measured at fair value through other comprehensive income	403	-401	2	368	-358	10
2.1 Debt securities	*403*	*-401*	*2*	*368*	*-356*	*12*
2.2 Loans	*-*	*-*	*-*	*-*	*-2*	*-2*
Total assets (A)	**724**	**-514**	**210**	**591**	**-531**	**60**
B. Financial liabilities valued at amortized cost						
1. Due to banks	22	-35	-13	26	-25	1
2. Due to customers	-	-	-	-	-7	-7
3. Securities issued	23	-90	-67	87	-84	3
Total liabilities (B)	**45**	**-125**	**-80**	**113**	**-116**	**-3**

Below is the breakdown by “Banking Group” and “Insurance Companies”, which together account for all of this caption.

6.1 Profits (Losses) on disposal or repurchase: breakdown (of which: Banking Group)

(millions of euro)

Captions/Income components	2025			2024		
	Profits	Losses	Net result	Profits	Losses	Net result
A. Financial assets						
1. Financial assets measured at amortised cost	321	-113	208	223	-173	50
1.1 Due from banks	*10*	*-*	*10*	*7*	*-22*	*-15*
1.2 Loans to customers	*311*	*-113*	*198*	*216*	*-151*	*65*
2. Financial assets measured at fair value through other comprehensive income	338	-87	251	326	-88	238
2.1 Debt securities	*338*	*-87*	*251*	*326*	*-86*	*240*
2.2 Loans	*-*	*-*	*-*	*-*	*-2*	*-2*
Total assets (A)	**659**	**-200**	**459**	**549**	**-261**	**288**
B. Financial liabilities valued at amortized cost						
1. Due to banks	22	-35	-13	26	-25	1
2. Due to customers	-	-	-	-	-7	-7
3. Securities issued	23	-90	-67	87	-84	3
Total liabilities (B)	**45**	**-125**	**-80**	**113**	**-116**	**-3**

The Net result on Financial assets measured at amortised cost in sub-caption 1.2 Loans to customers, primarily attributable to the Parent Company, mainly relates to the sale on the market of government debt securities. The sub-caption Losses, also mainly attributable to the Parent Company, relates mostly to loans.
The Net result on Financial assets measured at fair value through other comprehensive income in sub-caption 2.1 Debt securities, also primarily attributable to the Parent Company, relates to profits and losses mainly deriving from the sale of government debt securities.
Profits and losses on Financial assets measured at fair value through other comprehensive income, represented by debt securities, are shown for each single purchase or sale.

6.1 Profits (Losses) on disposal or repurchase: breakdown *(of which: Insurance companies)*

(millions of euro)

Captions/Income components	2025			2024		
	Profits	Losses	Net result	Profits	Losses	Net result
A. Financial assets						
1. Financial assets measured at amortised cost	-	-	-	-	-	-
1.1 Due from banks	-	-	-	-	-	-
1.2 Loans to customers	-	-	-	-	-	-
2. Financial assets measured at fair value through other comprehensive income	65	-314	-249	42	-270	-228
2.1 Debt securities	*65*	*-314*	*-249*	*42*	*-270*	*-228*
2.2 Loans	-	-	-	-	-	-
Total assets (A)	**65**	**-314**	**-249**	**42**	**-270**	**-228**
B. Financial liabilities valued at amortized cost						
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Securities issued	-	-	-	-	-	-
Total liabilities (B)	**-**	**-**	**-**	**-**	**-**	**-**

SECTION 7 – PROFITS (LOSSES) ON OTHER FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS - CAPTION 110

7.1 Net change in the value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value

(millions of euro)

Transactions/Income components	Revaluations	Gains on disposal	Write-downs	Losses on trading	Net result
1. Financial assets	**-**	**-**	**-**	**-1**	**-1**
1.1 Debt securities	-	-	-	-1	-1
1.2 Loans	-	-	-	-	-
2. Financial liabilities	**295**	**3**	**-2,291**	**-885**	**-2,878**
2.1 Securities issued	295	3	-659	-885	-1,246
2.2 Due to banks	-	-	-	-	-
2.3 Due to customers	-	-	-1,632	-	-1,632
3. Foreign currency financial assets and liabilities: foreign exchange differences	**X**	**X**	**X**	**X**	**60**
Total	**295**	**3**	**-2,291**	**-886**	**-2,819**

Below is the breakdown by "Banking Group" and "Insurance Companies", which together account for all of this caption.

7.1 Net change in the value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value (of which: Banking Group)

(millions of euro)

Transactions/Income components	Revaluations	Gains on disposal	Write-downs	Losses on trading	Net result
1. Financial assets	**-**	**-**	**-**	**-1**	**-1**
1.1 Debt securities	-	-	-	-1	-1
1.2 Loans	-	-	-	-	-
2. Financial liabilities	**295**	**3**	**-659**	**-885**	**-1,246**
2.1 Securities issued	295	3	-659	-885	-1,246
2.2 Due to banks	-	-	-	-	-
2.3 Due to customers	-	-	-	-	-
3. Foreign currency financial assets and liabilities: foreign exchange differences	**X**	**X**	**X**	**X**	**60**
Total	**295**	**3**	**-659**	**-886**	**-1,187**

Sub-caption 2.1 Financial liabilities - Securities issued, reports the net result of the certificates which provide for partial or full redemption of the premiums paid on maturity, pursuant to Bank of Italy Communication of 21 October 2014 (certificates with guaranteed or protected capital), issued after 1 January 2020.
The revaluations and write-downs shown in the table refer to the fair value measurement of these financial instruments, calculated excluding the changes in value due to the change in own credit rating recognised in the Statement of comprehensive income (Shareholders' equity). For information on the methods used to measure counterparty risk, reference should be made to Section A.4 – Information on fair value of the Notes to the consolidated financial statements.
The Realised gains and losses relate to disbursement made to the holders of certificates where contractually provided for, as well as repurchases of certificates made by the issuer as market maker.
The net result of financial liabilities designated at fair value in Securities issued represented by certificates that, at maturity, provide for the partial or full repayment of premiums paid must be read together with the net result of Financial assets held for trading in Equity instruments, which includes the contribution of transactions related to certificates.

7.1 Net change in the value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value (of which: Insurance companies)

(millions of euro)

Transactions/Income components	Revaluations	Gains on disposal	Write-downs	Losses on trading	Net result
1. Financial assets	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-
1.2 Loans	-	-	-	-	-
2. Financial liabilities	**-**	**-**	**-1,632**	**-**	**-1,632**
2.1 Securities issued	-	-	-	-	-
2.2 Due to banks	-	-	-	-	-
2.3 Due to customers	-	-	-1,632	-	-1,632
3. Foreign currency financial assets and liabilities: foreign exchange differences	**X**	**X**	**X**	**X**	**-**
Total	**-**	**-**	**-1,632**	**-**	**-1,632**

The table above represents the economic effects of unit-linked contracts, issued by insurance companies, which are financial in nature and do not fall within the scope of IFRS 17.

7.2 Net change in the 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

(millions of euro)

Transactions/Income components	Revaluations	Gains on disposal	Write-downs	Losses on trading	Net result
1. Financial assets	**6,795**	**2,565**	**-1,025**	**-2,468**	**5,867**
1.1 Debt securities	180	312	-65	-53	374
1.2 Equities	1,502	355	-341	-174	1,342
1.3 Quotas of UCI	4,802	1,249	-581	-625	4,845
1.4 Loans	311	649	-38	-1,616	-694
2. Financial assets: foreign exchange differences	**X**	**X**	**X**	**X**	**-1,123**
Total	**6,795**	**2,565**	**-1,025**	**-2,468**	**4,744**

Below is the breakdown by “Banking Group” and “Insurance Companies”, which together account for all of this caption.

7.2 Net change in the 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 (of which: Banking Group)

(millions of euro)

Transactions/Income components	Revaluations	Gains on disposal	Write-downs	Losses on trading	Net result
1. Financial assets	**505**	**106**	**-200**	**-34**	**377**
1.1 Debt securities	43	5	-5	-6	37
1.2 Equities	219	33	-3	-7	242
1.3 Quotas of UCI	139	12	-171	-4	-24
1.4 Loans	104	56	-21	-17	122
2. Financial assets: foreign exchange differences	**X**	**X**	**X**	**X**	**-101**
Total	**505**	**106**	**-200**	**-34**	**276**

7.2 Net change in the 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 (of which: Insurance companies)

(millions of euro)

Transactions/Income components	Revaluations	Gains on disposal	Write-downs	Losses on trading	Net result
1. Financial assets	**6,290**	**2,459**	**-825**	**-2,434**	**5,490**
1.1 Debt securities	137	307	-60	-47	337
1.2 Equities	1,283	322	-338	-167	1,100
1.3 Quotas of UCI	4,663	1,237	-410	-621	4,869
1.4 Loans	207	593	-17	-1,599	-816
2. Financial assets: foreign exchange differences	**X**	**X**	**X**	**X**	**-1,022**
Total	**6,290**	**2,459**	**-825**	**-2,434**	**4,468**

SECTION 8 – NET LOSSES/RECOVERIES FOR CREDIT RISK – CAPTION 130

8.1 Net adjustments for credit risk associated with financial assets measured at amortised cost: breakdown

(millions of euro)

Transactions/Income components	IMPAIRMENT LOSSES						RECOVERIES				2025	2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
			Write-off	Other	Write-off	Other						
A. Credit to banks	**-25**	**-10**	**-**	**-5**	**-**	**-**	**27**	**12**	**4**	**-**	**3**	**6**
- Loans	-18	-10	-	-5	-	-	21	11	4	-	3	5
- Debt securities	-7	-	-	-	-	-	6	1	-	-	-	1
B. Credit to clients	**-556**	**-932**	**-54**	**-2,919**	**-13**	**-21**	**633**	**1,007**	**1,064**	**19**	**-1,772**	**-1,137**
- Loans	-526	-887	-54	-2,854	-13	-21	617	1,004	1,047	19	-1,668	-1,128
- Debt securities	-30	-45	-	-65	-	-	16	3	17	-	-104	-9
Total	**-581**	**-942**	**-54**	**-2,924**	**-13**	**-21**	**660**	**1,019**	**1,068**	**19**	**-1,769**	**-1,131**

This caption refers entirely to the “Banking Group”. Further details on the calculation of adjustments can be found in the Notes to the Consolidated Financial Statements, Part E - Information on Risks and Related Hedging Policies, Section 2 - Risks of the Prudential Consolidation - 1.1 CREDIT RISK.

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

(millions of euro)

Transactions/Income components	IMPAIRMENT LOSSES						RECOVERIES				2025	2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
			Write-off	Other	Write-off	Other						
A. Debt securities	**-79**	**-24**	**-**	**-**	**-**	**-**	**28**	**11**	**-**	**-**	**-64**	**-8**
B. Loans	**-6**	**-9**	**-**	**-**	**-**	**-**	**3**	**1**	**1**	**-**	**-10**	**-**
- to customers	-6	-9	-	-	-	-	3	1	1	-	-10	-
- to banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	**-85**	**-33**	**-**	**-**	**-**	**-**	**31**	**12**	**1**	**-**	**-74**	**-8**

Below is the breakdown by “Banking Group” and “Insurance Companies”, which together account for all of this caption.

8.2 Net adjustments for credit risk associated with financial assets measured at fair value through other comprehensive income: breakdown *(of which: Banking Group)*

(millions of euro)

Transactions/Income components	IMPAIRMENT LOSSES						RECOVERIES				2025	2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
			Write-off	Other	Write-off	Other						
A. Debt securities	**-25**	**-9**	**-**	**-**	**-**	**-**	**16**	**1**	**-**	**-**	**-17**	**-38**
B. Loans	**-6**	**-9**	**-**	**-**	**-**	**-**	**3**	**1**	**1**	**-**	**-10**	**-**
- to customers	-6	-9	-	-	-	-	3	1	1	-	-10	-
- to banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	**-31**	**-18**	**-**	**-**	**-**	**-**	**19**	**2**	**1**	**-**	**-27**	**-38**

8.2 Net adjustments for credit risk associated with financial assets measured at fair value through other comprehensive income: breakdown *(of which: Insurance companies)*

(millions of euro)

Transactions/Income components	IMPAIRMENT LOSSES						RECOVERIES				2025	2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
			Write-off	Other	Write-off	Other						
A. Debt securities	-54	-15	-	-	-	-	12	10	-	-	-47	30
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-
- to customers	-	-	-	-	-	-	-	-	-	-	-	-
- to banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	-54	-15	-	-	-	-	12	10	-	-	-47	30

SECTION 9 – PROFITS/LOSSES FROM CHANGES IN CONTRACTS WITHOUT DERECOGNITION – CAPTION 140

9.1 Profits (Losses) from changes in contracts: breakdown

Within the profits (losses) from changes in contracts without derecognition, losses of 30 million euro were recognised, entirely attributable to the “Banking Group”. In 2024, the losses amounted to 28 million euro.

SECTION 10 – INSURANCE SERVICE RESULT - CAPTION 160

Section 10 includes the tables in line with the indications of IVASS, based on the updates to Regulation 7 of 13 July 2007, directly applicable also pursuant to Circular 262/2005, for the disclosure required by IFRS 17 for insurance contracts pertaining to consolidated insurance companies.
In particular, the tables report the insurance income and expenses attributable to the insurance companies broken down by basis of aggregation.

10.1 Insurance income and expenses from insurance contracts issued - Breakdown

(millions of euro)

Captions/Aggregation bases	31.12.2025					
	Basis A1	Basis A2	Basis A3	Basis A4	Basis A5	Total
A. Insurance revenue from insurance contracts issued measured under the GMM and the VFA						
A.1 Amounts related to changes in the liabilities for remaining coverage	**1,699**	**115**	**-**	**97**	**-**	**1,911**
1. Incurred claims and other expected insurance service expenses	574	50	-	46	-	670
2. Changes in the adjustment for non-financial risks	50	2	-	6	-	58
3. Contractual service margin recognised in profit or loss for services provided	1,142	55	-	57	-	1,254
4. Other amounts	-67	8	-	-12	-	-71
A.2 Insurance contract acquisition costs recovered	**44**	**6**	**-**	**2**	**-**	**52**
A.3 Total insurance revenue from insurance contracts issued measured under the GMM or the VFA (A.1+A.2)	**1,743**	**121**	**-**	**99**	**-**	**1,963**
A.4 Total insurance revenue from insurance contracts issued measured under the PAA						**1,456**
- Life Segment	X	X	X	X	X	-
- Non-Life Segment - Motor	X	X	X	X	X	107
- Non-Life Segment - Non-Motor	X	X	X	X	X	1,349
A.5 Total insurance revenue from insurance contracts issued (A.3+A.4)	**1,743**	**121**	**-**	**99**	**-**	**3,419**
B. Insurance service expenses from insurance contracts issued – GMM or VFA						
1. Incurred claims and other directly attributable expenses	-679	-59	-	-72	-	-810
2. Changes in the liability for incurred claims	249	7	-	9	-	265
3. Losses on onerous contracts and recovery of those losses	-12	6	-	1	-	-5
4. Amortisation of insurance contract acquisition costs	-44	-6	-	-2	-	-52
5. Other amounts	-84	-	-	-2	-	-86
B.6 Total insurance service expenses from insurance contracts issued – GMM or VFA	**-570**	**-52**	**-**	**-66**	**-**	**-688**
B.7 Total insurance service expenses from insurance contracts issued measured under the PAA						**-899**
- Life Segment	X	X	X	X	X	-
- Non-Life Segment - Motor	X	X	X	X	X	-78
- Non-Life Segment - Non-Motor	X	X	X	X	X	-821
B.8 Total costs for insurance services deriving from contracts of insurance issued (B.6 + B.7)	**-570**	**-52**	**-**	**-66**	**-**	**-1,587**
C. Total net expenses/revenue from insurance contracts issued (A.5+B.8)	**1,173**	**69**	**-**	**33**	**-**	**1,832**

Basis A1 (Basis of aggregation 1): Insurance contracts issued with direct participation features - Life Segment
Basis A2 (Basis of aggregation 2): Insurance contracts issued without direct participation features - Life Segment
Basis A3 (Basis of aggregation 3): Insurance contracts issued without direct participation features – Non-Life Segment – Motor
Basis A4 (Basis of aggregation 4): Insurance contracts issued without direct participation features – Non-Life Segment – Non-Motor
Basis A5 (Basis of aggregation 5): Investment contracts issued with discretionary participation features - Life Segment

GMM – General Measurement Model
VFA – Variable Fee Approach
PAA – Premium Allocation Approach

(millions of euro)

Captions/Aggregation bases	31.12.2024					
	Basis A1	Basis A2	Basis A3	Basis A4	Basis A5	Total
A. Insurance revenue from insurance contracts issued measured under the GMM and the VFA						
A.1 Amounts related to changes in the liabilities for remaining coverage	**1,551**	**127**	**-**	**131**	**-**	**1,809**
1. Incurred claims and other expected insurance service expenses	449	66	-	63	-	578
2. Changes in the adjustment for non-financial risks	51	3	-	4	-	58
3. Contractual service margin recognised in profit or loss for services provided	1,035	48	-	67	-	1,150
4. Other amounts	16	10	-	-3	-	23
A.2 Insurance contract acquisition costs recovered	**44**	**4**	**-**	**1**	**-**	**49**
A.3 Total insurance revenue from insurance contracts issued measured under the GMM or the VFA (A.1+A.2)	**1,595**	**131**	**-**	**132**	**-**	**1,858**
A.4 Total insurance revenue from insurance contracts issued measured under the PAA						**1,311**
- Life Segment	X	X	X	X	X	-
- Non-Life Segment - Motor	X	X	X	X	X	103
- Non-Life Segment - Non-Motor	X	X	X	X	X	1,208
A.5 Total insurance revenue from insurance contracts issued (A.3+A.4)	**1,595**	**131**	**-**	**132**	**-**	**3,169**
B. Insurance service expenses from insurance contracts issued – GMM or VFA						
1. Incurred claims and other directly attributable expenses	-211	-75	-	-59	-	-345
2. Changes in the liability for incurred claims	-184	8	-	-9	-	-185
3. Losses on onerous contracts and recovery of those losses	-1	29	-	-1	-	27
4. Amortisation of insurance contract acquisition costs	-45	-3	-	-1	-	-49
5. Other amounts	-58	-1	-	1	-	-58
B.6 Total insurance service expenses from insurance contracts issued – GMM or VFA	**-499**	**-42**	**-**	**-69**	**-**	**-610**
B.7 Total insurance service expenses from insurance contracts issued measured under the PAA						**-836**
- Life Segment	X	X	X	X	X	-
- Non-Life Segment - Motor	X	X	X	X	X	-96
- Non-Life Segment - Non-Motor	X	X	X	X	X	-740
B.8 Total costs for insurance services deriving from contracts of insurance issued (B.6 + B.7)	**-499**	**-42**	**-**	**-69**	**-**	**-1,446**
C. Total net expenses/revenue from insurance contracts issued (A.5+B.8)	**1,096**	**89**	**-**	**63**	**-**	**1,723**

Basis A1 (Basis of aggregation 1): Insurance contracts issued with direct participation features - Life Segment
Basis A2 (Basis of aggregation 2): Insurance contracts issued without direct participation features - Life Segment
Basis A3 (Basis of aggregation 3): Insurance contracts issued without direct participation features – Non-Life Segment – Motor
Basis A4 (Basis of aggregation 4): Insurance contracts issued without direct participation features – Non-Life Segment – Non-Motor
Basis A5 (Basis of aggregation 5): Investment contracts issued with discretionary participation features - Life Segment

GMM – General Measurement Model
VFA – Variable Fee Approach
PAA – Premium Allocation Approach

10.2 Insurance expenses and income from reinsurance contracts held - Breakdown

(millions of euro)

Captions/Aggregation bases	31.12.2025			31.12.2024		
	Life Business	Non-life Business	Total	Life Business	Non-life Business	Total
A. Allocation of premiums paid related to reinsurance contracts held measured under the GMM						
A.1 Amounts related to changes in the asset for remaining coverage						
1. Expected claims and other expected expenses to be recovered	-8	-5	-13	-8	-2	-10
2. Changes in the adjustment for non-financial risks	-	-1	-1	-1	-	-1
3. Contractual service margin recognised in profit or loss for services received	-2	-2	-4	-4	-2	-6
4. Other amounts	-	1	1	3	-1	2
5. Total	**-10**	**-7**	**-17**	**-10**	**-5**	**-15**
A.2 Other expenses directly attributable to reinsurance contracts held	-	-	-	-	-	-
B. Allocation of premiums paid related to reinsurance contracts held measured under the PAA	-	-128	-128	-	-154	-154
C. Total expenses from reinsurance contracts held (A.1+A.2+B)	**-10**	**-135**	**-145**	**-10**	**-159**	**-169**
D. Effects of changes in the risk of non-performance by reinsurers	-	-	-	-	-	-
E. Amount of claims and other expenses recovered	3	69	72	4	164	168
F. Changes in the asset for incurred claims	-	-2	-2	-1	-68	-69
G. Other recoveries	-	-	-	-	-	-
H. Total net expenses/revenue from reinsurance contracts held (C+D+E+F+G)	**-7**	**-68**	**-75**	**-7**	**-63**	**-70**

GMM – General Measurement Model
PAA – Premium Allocation Approach

10.3 Breakdown of expenses for insurance services and other services

(millions of euro)

Costs/Aggregation bases	31.12.2025						
	Base A1 - with DPF	Base A2 - without DPF	Base A1 + Base A2	Base A3	Base A4	Base A3 + Base A4	Other
Insurance contract acquisition costs	-44	-6	-50	-	-2	-2	X
Other directly attributable expenses	-473	-52	-525	-22	-306	-328	X
Investment management expenses	X	X	-	X	X	-	-19
Other costs	X	X	-	X	X	-	-88
Total	**X**	**X**	**-575**	**X**	**X**	**-330**	**-107**

(millions of euro)

Costs/Aggregation bases	31.12.2024						
	Base A1 - with DPF	Base A2 - without DPF	Base A1 + Base A2	Base A3	Base A4	Base A3 + Base A4	Other
Insurance contract acquisition costs	-44	-4	-48	-	-1	-1	X
Other directly attributable expenses	-414	-56	-470	-14	-295	-309	X
Investment management expenses	X	X	-	X	X	-	-22
Other costs	X	X	-	X	X	-	-87
Total	**X**	**X**	**-518**	**X**	**X**	**-310**	**-109**

Basis A1 - with DPF (Direct Participation Features) = Insurance contracts issued with direct participation features - Life Segment
Basis A2 - without DPF (Direct Participation Features) = Insurance contracts issued without direct participation features - Life Segment
Basis A1 + Basis A2 = Life Segment
Basis A3 = Insurance contracts issued without direct participation features - Non-Life Segment - Motor
Basis A4 = Insurance contracts issued without direct participation features – Non-Life Segment – Non-Motor
Basis A3 + Basis A4 = Non-Life Segment

Other information

There is no other information to be noted in addition to the above.

SECTION 11 – BALANCE OF FINANCE INCOME/EXPENSES RELATING TO INSURANCE BUSINESS - CAPTION 170

Section 11 includes the tables in line with the indications of IVASS, based on the updates to Regulation 7 of 13 July 2007, directly applicable also pursuant to Circular 262/2005, for the disclosure required by IFRS 17 for insurance contracts pertaining to consolidated insurance companies.
In particular, the tables report the finance income and expenses attributable to insurance companies broken down by basis of aggregation.

11.1 Net finance income and expenses from insurance contracts issued

(millions of euro)

Captions/Aggregation bases	31.12.2025				31.12.2024			
	Basis A1	Basis A2	Basis A3	Total	Basis A1	Basis A2	Basis A3	Total
1. Interest accreted	-	-4	-5	-9	-	-1	-4	-5
2. Effects of changes in interest rates and other financial assumptions	-	-	-12	-12	-	-2	-6	-8
3. Changes in fair value of underlying assets of contracts measured under the VFA	-5,284	-2	-	-5,286	-5,790	-1	-1	-5,792
4. Effects of exchange rate changes	-	-	-	-	-	-	-	-
5. Other	-	-	-	-	-	-	-	-
6. Total financial net income/expenses from insurance contracts issued recognised in profit or loss	**-5,284**	**-6**	**-17**	**-5,307**	**-5,790**	**-4**	**-11**	**-5,805**

Basis A1= Insurance contracts issued with direct participation features - Life Segment
Basis A2= Insurance contracts issued without direct participation features - Life Segment
Basis A3= Insurance contracts issued without direct participation features - Non-Life Segment

VFA – Variable Fee Approach

The aggregate includes the effect of mirroring, a mechanism introduced by IFRS 17, through which the financial result is allocated to the policyholders. As at 31 December 2025, this aggregate showed financial expenses of 5,307 million euro (5,805 million euro as at 31 December 2024).

11.2 Net finance income and expenses from reinsurance contracts held

(millions of euro)

Captions/Aggregation bases	31.12.2025			31.12.2024		
	Life Business	Non-Life Business	Total	Life Business	Non-Life Business	Total
1. Interest accreted	-	1	1	-	1	1
2. Effects of changes in interest rates and other financial assumptions	-	-	-	-	-	-
3. Effects of exchange rate changes	-	-	-	-	-	-
4. Other	-	-	-	-	-	-
5. Total net financial income/expenses from reinsurance contracts held	**-**	**1**	**1**	**-**	**1**	**1**

11.3 Insurance business - Net investment result broken down by life segment and non-life segment

(millions of euro)

Captions/Operating segments	Life Segment		Non-life Segment	Total	Life Segment		Non-life Segment	Total
	31.12.2025		31.12.2025	31.12.2025	31.12.2024		31.12.2024	31.12.2024
		of which: DPF				*of which: DPF*		
A. NET GAINS/LOSSES ON INVESTMENTS	**7,966**	***3,997***	**54**	**8,020**	**12,629**	***5,438***	**61**	**12,690**
A.1 Interest income on financial assets measured at amortised cost and at fair value through other comprehensive income	2,447	*1,268*	64	2,511	2,410	*1,162*	59	2,469
A.2 Net gains/losses on assets measured at fair value through profit or loss	4,436	*2,213*	-	4,436	7,713	*3,169*	-	7,713
A.3 Net losses/recoveries for credit risk	-45	*-23*	-2	-47	30	*15*	-	30
A.4 Other net income/expenses	1,023	*485*	-12	1,011	925	*341*	-25	900
A.5 Net gains/losses on financial assets measured at fair value through other comprehensive income	105	*54*	4	109	1,551	*751*	27	1,578
B. NET CHANGE IN INVESTMENT CONTRACTS ISSUED UNDER IFRS 9	**-1,632**	***-640***	**-**	**-1,632**	**-4,340**	**-**	**-**	**-4,340**
C. TOTAL NET GAINS/LOSSES ON INVESTMENTS	**6,334**	***3,357***	**54**	**6,388**	**8,289**	***5,438***	**61**	**8,350**
of which: recognised in profit or loss	6,229	*3,303*	50	6,279	6,738	*4,687*	34	6,772
of which: recognised in other comprehensive income	105	*54*	4	109	1,551	*751*	27	1,578

DPF (Direct Participation Features) = Insurance contracts issued with direct participation features
Investment contracts issued IFRS 9 = Investment contracts issued without discretionary participation features

The net financial result of the insurance segment was a positive amount of 6,388 million euro as at 31 December 2025, compared to an amount of 8,350 million euro as at 31 December 2024. The decrease in the income component of investments is mainly attributable to the lower volume of assets invested in the mutual funds (UCI) class, included in funds whose risk is borne by policyholders.

11.4 Insurance business – Summary of profit and loss results broken down by life segment and non-life segment

(millions of euro)

Summary of results/Operating segments	31.12.2025			31.12.2024		
	Life Segment	Non-life Segment	Total	Life Segment	Non-life Segment	Total
A. Financial results						
A.1 Amounts recognised in profit or loss						
1. Total net gains/losses on investments	6,229	50	6,279	6,738	34	6,772
2. Net financial income/expenses from insurance contracts	-5,290	-16	-5,306	-5,794	-10	-5,804
3. Total	**939**	**34**	**973**	**944**	**24**	**968**
A.2 Amounts recognised in other comprehensive income						
1. Total net gains/losses on investments	105	4	109	1,551	27	1,578
2. Net financial income/expenses from insurance contracts	-182	4	-178	-1,567	-13	-1,580
3. Total	**-77**	**8**	**-69**	**-16**	**14**	**-2**
B. Net insurance result and financial income/expenses						
1. Net insurance service result	1,235	522	1,757	1,179	474	1,653
2. Total net gains/losses on investments	6,334	54	6,388	8,289	61	8,350
3. Net financial income/expenses from insurance contracts	-5,472	-12	-5,484	-7,361	-23	-7,384
4. Total	**2,097**	**564**	**2,661**	**2,107**	**512**	**2,619**

Other information

There is no other information to be noted in addition to the above.

SECTION 12 – ADMINISTRATIVE EXPENSES - CAPTION 190

12.1 Personnel expenses: breakdown

(millions of euro)

Type of expense	2025	2024
1) Employees	**6,856**	**7,387**
a) wages and salaries	4,696	4,794
b) social security charges	1,164	1,208
c) termination indemnities	29	36
d) supplementary benefits	9	8
e) provisions for termination indemnities	22	27
f) provisions for post employment benefits	12	12
- defined contribution plans	-	-
- defined benefit plans	*12*	*12*
g) payments to external pension funds	401	397
- defined contribution plans	*398*	*394*
- defined benefit plans	*3*	*3*
h) costs from share based payments	144	148
i) other benefits in favour of employees	379	757
2) Other non-retired personnel	**16**	**19**
3) Directors and statutory auditors	**17**	**16**
4) Early retirement costs	**-**	**-**
Total	**6,889**	**7,422**

This caption does not include the expenses for the personnel of the insurance sector and the personnel of the distribution networks dedicated to the distribution of insurance products, which in application of IFRS 17, are allocated to caption “160. Insurance service result”.

It should be specified that sub-caption 3) “Directors and statutory auditors” includes remuneration to members of the Board of Directors of the Parent Company and members of the Board of Directors and the Board of Statutory Auditors of the various Group companies.

12.2 Average number of employees by categories

	2025	2024
Personnel employed	**85,761**	**88,215**
a) managers	1,878	1,829
b) total officers	33,210	34,169
c) other employees	50,673	52,217
Other personnel	**57**	**120**
TOTAL	**85,818**	**88,335**

In 2025, the average number of employees (with part-time employees calculated, per standard practice, at 0.5) was down on 2024 mainly due to the application of the provisions agreements over the two years.

12.3 Post-employment defined benefit plans: costs and revenues

(millions of euro)

	2025			2024		
	Employee Termination Indemnities	Internal plans	External plans	Employee Termination Indemnities	Internal plans	External plans
Current service cost	-3	-2	-10	-4	-2	-9
Interest expense	-19	-12	-24	-23	-14	-32
Interest income	-	6	23	-	5	29
Reimbursement from third parties	-	-	-	-	-	-
Past service cost	-	-	1	-	-	1
Curtailment of the fund	X	-	-	X	-	-
Settlement of the fund	X	-	-	X	-	-

This table illustrates the economic components referred to “Employee termination indemnities” – caption 90 of Balance sheet liabilities and “Allowances for risks and charges - post employment benefits” – caption 100b of Balance sheet liabilities.

12.4 Other benefits in favour of employees

This caption had a balance of 379 million euro in 2025 and related to charges for exit incentives for personnel including those relating to the agreement signed with the trade unions on 10 December 2025, which supplemented the agreement signed with the same trade unions on 23 October 2024. This caption also includes healthcare contributions and canteen contributions including meal vouchers.

12.5 Other administrative expenses: breakdown

(millions of euro)

Type of expense/Amount	2025	2024
Expenses for maintenance of information technology and electronic equipment	768	748
Telephonic, teletransmission and transmission expenses	52	60
Information technology expenses	**820**	**808**
Rentals and service charges - real estate	35	37
Security services	43	43
Cleaning of premises	48	46
Expenses for maintenance of real estate assets furniture and equipment	75	73
Energy costs	107	128
Property costs	6	7
Management of real estate assets expenses	**314**	**334**
Printing, stationery and consumables expenses	23	25
Transport and related services expenses (including counting of valuables)	91	90
Information expenses	281	261
Postal and telegraphic expenses	48	49
General structure costs	**443**	**425**
Expenses for consultancy fees	159	158
Legal and judiciary expenses	102	103
Insurance premiums - banks and customers	53	56
Professional and legal expenses	**314**	**317**
Advertising and promotional expenses	**220**	**207**
Services rendered by third parties	**482**	**403**
Indirect personnel costs	**187**	**174**
Other costs	**195**	**198**
Contributions to resolution funds and guarantee schemes	**128**	**435**
Taxes and duties	**1,397**	**1,305**
Recovery of other expenses	**-25**	**-31**
Total	**4,475**	**4,575**

This caption does not include the other administrative expenses of the insurance sector and of the distribution networks attributable to the management and distribution of insurance products, which in application of IFRS 17, are allocated to caption “160. Insurance service result”.

The amount of the sub-caption Rentals and service charges - real estate relates to contracts with a total lease term of 12 months or less and to contracts with a value of the underlying asset, when new, of 5,000 euro or less ("low value"). In such cases, as allowed by IFRS 16, the lease payments for these lease contracts are recognised as an expense on a straight-line basis for the contract term.

The sub-caption "Contributions to resolution funds and guarantee schemes" includes 86 million euro of contributions to the Insurance Guarantee Fund for life insurance policies in line with Law no. 213 of 30 December 2023 (83 million euro as at December 2024). In addition, the amount includes a contribution of 27 million euro to the National Interbank Deposit Guarantee Fund (FITD) under the Deposit Guarantee Schemes (DGS) in connection with the development of covered deposits, which amounted to 349 million euro as at December 2024.

SECTION 13 – NET PROVISIONS FOR RISKS AND CHARGES - CAPTION 200

13.1 Net provisions for credit risk associated with loan commitments and financial guarantees given: breakdown

(millions of euro)

	Provision	Reallocations	Net provision
Stage1	-132	162	30
Stage2	-102	79	-23
Stage3	-157	79	-78
Total	**-391**	**320**	**-71**

This caption refers entirely to the "Banking Group".

13.2 Net provisions associated with other commitments and other guarantees given: breakdown

With regard to net provisions associated with other commitments and other guarantees given, there were no amounts as at 31 December 2025.

13.3 Net provisions for other risks and charges: breakdown

(millions of euro)

	Provisions	Reallocations	Net provision
Net provisions for legal and tax disputes	-152	69	-83
Net provisions for other personnel charges	-	-	-
Net provisions for risks and charges	-264	106	-158
Total	**-416**	**175**	**-241**

"Net provisions for risks and charges", which amounted to a negative 241 million euro, recorded the provisions attributable to the year relating to legal and tax disputes and other risks and charges, net of reallocations. This caption consists of 197 million euro for the "Banking Group" and 42 million euro for the "Insurance Companies".

The sub-caption "Net provisions for legal disputes" includes provisions for legal disputes, including bankruptcy claw-back actions and other disputes, net of releases for the year.

SECTION 14 – NET ADJUSTMENTS TO/RECOVERIES ON PROPERTY AND EQUIPMENT - CAPTION 210

14.1 Net adjustments to property and equipment: breakdown

(millions of euro)

Assets/Income components	Depreciation	Impairment losses	Recoveries	Net result
A. Property and equipment				
A.1 Used in operations	-575	-1	-	-576
- Owned	*-325*	*-1*	-	*-326*
- Licenses acquired through lease	*-250*	-	-	*-250*
A.2 Investment property	-	-	-	-
- Owned	-	-	-	-
- Licenses acquired through lease	-	-	-	-
A.3 Inventories	X	-5	-	-5
B. Non-current assets held for sale	X	-	-	-
Total	**-575**	**-6**	**-**	**-581**

The total amount of the Net adjustments to property and equipment as at 31 December 2025 of 581 million euro consisted of 561 million euro for the “Banking Group” and 20 million euro for the “Other Companies”.

SECTION 15 – NET ADJUSTMENTS TO/RECOVERIES ON INTANGIBLE ASSETS - CAPTION 220

15.1 Net adjustments to intangible assets: breakdown

(millions of euro)

Assets/Income components	Amortisation	Impairment losses	Recoveries	Net result
A. Intangible assets				
of which: software	*-1,104*	*-70*	*12*	*-1,162*
A.1 Owned	-1,158	-70	18	-1,210
- Internally generated	-685	-57	-	-742
- Others	-473	-13	18	-468
A.2 Rights of use acquired through the lease	-	-	-	-
B. Non-current assets held for sale	**X**	**-**	**-**	**-**
Total	**-1,158**	**-70**	**18**	**-1,210**

The total amount of the Net adjustments to intangible assets as at 31 December 2025 of 1,210 million euro consisted of 1,185 million euro for the “Banking Group”, 24 million euro for the “Insurance Companies” and 1 million euro for the “Other Companies”.

With regard to the revision of the useful life of intangible assets, see the description provided in Part A – Accounting policies of the Notes to the financial statements in paragraph “17. Other information - Use of estimates and assumptions in preparing financial reports”.

With regard to the method of the impairment testing for intangible assets and related impairment recognised to the income statement, see Part B – Section 10 – Intangible Assets in these Notes to the consolidated financial statements.

SECTION 16 – OTHER OPERATING EXPENSES (INCOME) - CAPTION 230

16.1 Other operating expenses: breakdown

(millions of euro)

Type of expense/Amount	
Amortisation of leasehold improvements	41
Other expenses for consumer credit and leasing transactions	16
Other expenses	365
Total 2025	**422**
Total 2024	**618**

16.2 Other operating income: breakdown

(millions of euro)

Type of expense/Amount	
Recovery of other expenses	1,198
Income related to consumer credit and leasing	32
Rentals and recovery of expenses on real estate	24
Recovery of services rendered to third parties	11
Other income	320
Total 2025	**1,585**
Total 2024	**1,779**

As required by paragraph 116 c) of IFRS 15, it is specified that revenues deriving from performance obligations satisfied in the previous years are included, amounting to 24 million euro.

SECTION 17 – PROFITS (LOSSES) ON INVESTMENTS IN ASSOCIATES AND COMPANIES SUBJECT TO JOINT CONTROL - CAPTION 250

17.1 Profits (Losses) on investments in associates and companies subject to joint control: breakdown

(millions of euro)

Income components/Sectors	2025	2024
1) Companies subject to joint control		
A. Revenues	1	31
1. Revaluations	*1*	*1*
2. Profits on disposal	*-*	*30*
3. Recoveries	*-*	*-*
4. Other	*-*	*-*
B. Charges	-30	-32
1. Write-downs	*-30*	*-32*
2. Impairment losses	*-*	*-*
3. Losses on disposal	*-*	*-*
4. Other	*-*	*-*
Net result	**-29**	**-1**
2) Investments in associates		
A. Revenues	136	156
1. Revaluations	*115*	*135*
2. Profits on disposal	*21*	*21*
3. Recoveries	*-*	*-*
4. Other	*-*	*-*
B. Charges	-376	-187
1. Write-downs	*-352*	*-132*
2. Impairment losses	*-24*	*-55*
3. Losses on disposal	*-*	*-*
4. Other	*-*	*-*
Net result	**-240**	**-31**
Total	**-269**	**-32**

The total amount of the Profits (Losses) on investments in associates and companies subject to joint control as at 31 December 2025 of -269 million euro (-32 million euro as at 31 December 2024) consisted of 6 million euro for the “Banking Group”, 19 million euro for the “Insurance Companies” and -294 million euro for the “Other Companies”; as at 31 December 2024 these amounted to 49 million euro for the “Banking Group” and -81 million euro for the “Other Companies”.

For companies subject to joint control and significant influence, revenues from recognition at equity of the equity stakes is included under Revaluations, while the charges from the recognition at equity of the equity stakes is recorded under Write-downs.
The value of the write-downs of companies subject to significant influence is almost entirely attributable to IAS 28 credit provisions.

SECTION 18 – VALUATION DIFFERENCES ON PROPERTY, EQUIPMENT AND INTANGIBLE ASSETS MEASURED AT FAIR VALUE - CAPTION 260

18.1 Valuation differences on property, equipment and intangible assets measured at fair value or estimated realisable value: breakdown

(millions of euro)

Assets/Income component	Revaluations	Write-downs	Foreign exchange differences		Net result
			Positive	Negative	
A. Property and equipment	**4**	**-25**	**-**	**-**	**-21**
A.1 Used in operations:	1	-7	-	-	-6
- Owned	*1*	*-7*	-	-	*-6*
- Licenses acquired through lease	-	-	-	-	-
A.2 Investment:	3	-18	-	-	-15
- Owned	*3*	*-18*	-	-	*-15*
- Licenses acquired through lease	-	-	-	-	-
A.3 Inventories	-	-	-	-	-
B. Intangible assets	**-**	**-**	**-**	**-**	**-**
B.1 Owned:	-	-	-	-	-
B.1.1 Internally generated	-	-	-	-	-
B.1.2 Other	-	-	-	-	-
B.2 Licenses acquired through lease	-	-	-	-	-
Total	**4**	**-25**	**-**	**-**	**-21**

The total amount of the Valuation differences on property, equipment and intangible assets measured at fair value or estimated realisable value as at 31 December 2025 was -21 million euro entirely attributable to the “Banking Group”.

SECTION 19 – GOODWILL IMPAIRMENT - CAPTION 270

19.1 Goodwill impairment: breakdown

The results of impairment testing on goodwill recorded in the financial statements did not lead to adjustments in 2025. See Part A – Accounting policies for details on the means of determination of goodwill impairment. For a description of the impairment testing methods for goodwill, reference should be made to Part B – Section 10 – Intangible Assets in these Notes to the consolidated financial statements.

SECTION 20 – PROFITS (LOSSES) ON DISPOSAL OF INVESTMENTS - CAPTION 280

20.1 Profits (Losses) on disposal of investments: breakdown

(millions of euro)

Income component/Amount	2025	2024
A. Real estate assets	**-4**	**-2**
- profits on disposal	6	2
- losses on disposal	-10	-4
B. Other assets (a)	**193**	**1**
- profits on disposal	195	5
- losses on disposal	-2	-4
Net result	**189**	**-1**

(a) Included profits and losses on disposal of subsidiaries.

The total amount of Profits (Losses) on disposal of investments as at 31 December 2025 of 189 million euro consisted of 186 million euro for the “Banking Group” and 3 million euro for the “Other Companies”. Sub-caption B. Other assets includes the gains related to the sale by Intesa Sanpaolo to State Street International GmbH of the IT operations supporting the Custody business and to the transfer by Intesa Sanpaolo to Grenke Locazione of its 100% stake in Intesa Sanpaolo Rent For You.
The amount of -1 million euro as at 31 December 2024 was entirely attributable to the “Banking Group”.

SECTION 21 – TAXES ON INCOME FROM CONTINUING OPERATIONS - CAPTION 300

21.1 Taxes on income from continuing operations: breakdown

(millions of euro)

Income component/Amount	2025	2024
1. Current taxes (-)	-2,990	-2,154
2. Changes in current taxes of previous years (+/-)	247	98
3. Reduction in current taxes of the year (+)	3	4
3. bis Reduction in current taxes of the year for tax credits pursuant to Law no. 214/2011 (+)	60	470
4. Changes in deferred tax assets (+/-)	-318	-1,503
5. Changes in deferred tax liabilities (+/-)	-306	-314
6. Taxes on income for the year (-) (-1+/-2+3+3bis+/-4+/-5)	**-3,304**	**-3,399**

The current taxes for the year include 16 million euro pertaining to the Top-up Tax payable by the Group's companies in accordance with the Global Minimum Tax rules.
Sub-caption 2. Changes in current taxes from previous years includes 156 million euro attributable to IRAP (regional production tax) credits from previous years as a result of the revision of the rules on intra-EU dividend introduced by Law no. 199 of 30 December 2025.
The reduction in current taxes for the year, measured at 60 million euro, as required by the “Roneata” Letter from the Bank of Italy of 7 August 2012, shows the transformation into tax credits of the deferred tax assets pursuant to Law 214/2011 due to the tax loss of Intesa Sanpaolo S.p.A. in relation to 2024. This effect is entirely offset by the corresponding decrease in sub-caption 4. Change in deferred tax assets, resulting in a zero impact on the Income Statement.
The sub-caption relating to the change in deferred tax assets includes an increase of 520 million euro, which took place in the fourth quarter. This increase was driven on the one hand by the revaluation of IRAP deferred tax, as a result of the 2 percentage point increase in the IRAP rate limited to the three-year period 2026-2028, as provided for by Article 1(74) of Law no. 199 of 30 December 2025 (“Budget Law 2026”) and, on the other hand, by the recognition of DTAs representing the IRES tax benefit related to the deductibility of the currently estimated minimum value of the goodwill of Eurizon Capital S.A., merged by incorporation by the parent company.

21.2 Reconciliation of theoretical tax charge to total income tax expense for the period

(millions of euro)

	2025	2024
Income (Loss) before tax from continuing operations	12,645	12,058
Income (Loss) before tax from discontinued operations	-	-
Theoretical taxable income	**12,645**	**12,058**

	Taxes (a)	Impact % on theoretical taxable income
Income taxes - theoretical tax charge (b)	**4,181**	**33.1**
Increase of taxes	**225**	**1.8**
Non-deductible cost	198	1.6
Other	27	0.2
Decrease of taxes	**-1,102**	**-8.7**
Effects of the participation exemption	-67	-0.5
Effects of international companies lower rates	-748	-5.9
Other	-287	-2.3
Total changes in taxes	**-877**	**-6.9**
Total income tax expense for the period	**3,304**	**26.2**
of which: - total income tax expense from continuing operations	**-3,304**	**-26.1**
- total income tax expense from discontinued operations	**-**	**-**

(a) Tax expenses are indicated with a positive sign and tax income with a negative sign.
(b) Includes IRES ordinary tax 24%, IRES additional rate 3.5% and IRAP weighted average rate 5.56%.

SECTION 22 – INCOME (LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS CAPTION 320

22.1 Income (Loss) after tax from discontinued operations: breakdown

There was no Income (loss) after tax from discontinued operations in 2025 or 2024.

22.2 Breakdown of taxes on income from discontinued operations

There were no taxes on income from discontinued operations in 2025 or 2024.

SECTION 23 – MINORITY INTERESTS - CAPTION 340

23.1 Breakdown of caption 340 Minority interests

(millions of euro)

		31.12.2025	31.12.2024
Investments in consolidated companies with significant minority interests			
1	Bank of Alexandria S.A.E.	-37	-31
2	Vub Generali Dochodkova Spravcovska Spolocnost, A.S.	-3	-2
3	Alpian S.A.	3	25
4	Reyl & CIE S.A.	9	6
5	Risanamento S.p.A.	10	10
Other investments		-2	-1
TOTAL		**-20**	**7**

SECTION 24 – OTHER INFORMATION

There is no information further to that already provided in the previous sections.

SECTION 25 – EARNINGS PER SHARE

Earnings per share

	Ordinary shares	
	31.12.2025	31.12.2024
Weighted average number of outstanding shares (*)	17,583,596,365	18,017,340,115
Income attributable (millions of euro)	9,321	8,666
Basic EPS (euro)	0.53	0.48
Diluted EPS (euro)	0.53	0.48

(*) The weighted average number of outstanding shares is calculated excluding repurchased treasury shares.

25.1 Average number of ordinary shares (fully diluted)

The diluted earnings per share is equal to the basic earnings per share because no potential ordinary shares with dilutive effect were identified.

25.2 Other information

There is no other information to be provided.

Part D – Consolidated comprehensive income

(millions of euro)

	Statement of comprehensive income	2025	2024
10.	**Net income (loss)**	**9,341**	**8,659**
	Other comprehensive income that may not be reclassified to the income statement	**51**	**133**
20.	Equity instruments measured at fair value through other comprehensive income	62	238
	a) fair value changes	*60*	*172*
	b) transfer to other components of shareholders' equity	*2*	*66*
30.	Financial liabilities designated at fair value through profit or loss (change in own credit rating)	-58	-97
	a) fair value changes	-58	**-97**
	b) transfer to other components of shareholders' equity	**-**	**-**
40.	Hedging of equity instruments measured at fair value through other comprehensive income	-	-
	a) fair value changes (hedged instrument)	**-**	**-**
	b) fair value changes (hedging instrument)	**-**	**-**
50.	Property and equipment	4	-19
60.	Intangible assets	**-**	**-**
70.	Defined benefit plans	44	14
80	Non-current assets held for sale and discontinued operations	-	-
90.	Share of valuation reserves connected with investments carried at equity	-	-
100.	Financial revenue and expenses related to insurance contracts issued	-	-
110.	Income taxes associated with other comprehensive income that may not be reclassified to the income statement	-1	-3
	Other comprehensive income that may be reclassified to the income statement:	**767**	**-492**
120.	Hedges of foreign investments:	-19	14
	a) fair value changes	**-**	**-**
	b) reclassification to the income statement	**-**	**-**
	c) other changes	**-19**	**14**
130.	Foreign exchange differences:	6	-281
	a) value change	**3**	**-**
	b) reclassification to the income statement	**-**	**-**
	c) other changes	3	-281
140.	Cash flow hedges:	-21	334
	a) fair value changes	*24*	*473*
	b) reclassification to the income statement	*-45*	*-139*
	c) other changes	-	-
	of which: gains (losses) on net positions	-	-
150.	Hedging instruments (not designated elements)	-	-
	a) value change	**-**	**-**
	b) reclassification to the income statement	**-**	**-**
	c) other changes	**-**	**-**
160.	Financial assets (other than equities) measured at fair value through other comprehensive income	1,410	856
	a) fair value changes	*1,490*	*877*
	b) reclassification to the income statement	*-72*	*-33*
	- adjustments for credit risk	*10*	*-38*
	- gains/losses on disposals	*-82*	*5*
	c) other changes	*-8*	*12*
170.	Non-current assets held for sale and discontinued operations	**-**	**-**
	a) fair value changes	**-**	**-**
	b) reclassification to the income statement	**-**	**-**
	c) other changes	**-**	**-**
180.	Share of valuation reserves connected with investments carried at equity:	-36	33
	a) fair value changes	**4**	**8**
	b) reclassification to the income statement	**-**	**-**
	- impairment losses	**-**	**-**
	- gains/losses on disposals	**-**	**-**
	c) other changes	*-40*	*25*
190.	Financial revenue and expenses related to insurance contracts issued	-180	-1,580
	a) fair value changes	-	-
	b) reclassification to the income statement	-	-
	c) other changes	*-180*	*-1,580*
200.	Financial revenue and expenses related to reinsurance contracts held	2	-
	a) fair value changes	-	-
	b) reclassification to the income statement	-	-
	c) other changes	*2*	-
210.	Income taxes associated with other comprehensive income that may be reclassified to the income statement	-395	132
220.	**Total other comprehensive income**	**818**	**-359**
230.	**Comprehensive income (Captions 10+220)**	**10,159**	**8,300**
240.	**Total consolidated comprehensive income pertaining to minority interests**	**18**	**-42**
250.	**Total consolidated comprehensive income pertaining to the Parent Company**	**10,141**	**8,342**

Part E – Information on risks and relative hedging policies

INTRODUCTION

In this Part E, the qualitative and quantitative disclosure is presented according to the order established by Bank of Italy Circular 262, which specifically regulates not only the format of the tables but also the sequence of the various topics, except for the section relating to market risks in relation to the application of internal models.
As an accompaniment to the disclosure on the control actions and main accounting issues related to the Russia-Ukraine risk contained in the introductory chapter of the Report on Operations, this Part E, within the comments on credit risk, provides a detailed description of the exposures to Russia and Ukraine, together with an examination of the related valuation aspects, with particular regard to the choices made for the calculation of ECLs on cross-border exposures.
The paragraph "Basic principles" below provides information on the limited impacts, where present, connected to the ongoing conflict with respect to the other main types of risk.

Basic principles

The Intesa Sanpaolo Group attaches great importance to risk management and control, as condition to ensure a reliable and sustainable value creation in a context of controlled risk.
The risk management strategy aims to achieve a complete and consistent overview of risks, considering both the macroeconomic and geopolitical scenario and the Group's risk profile, stimulating the growth of the risk culture and enhancing a transparent and accurate representation of the riskiness of the Group's portfolios.
The Risk-taking strategies are summarised in the Group's Risk Appetite Framework (RAF), approved by the Board of Directors. The RAF is established to ensure that risk-taking activities remain in line with shareholders' expectations, taking into account the Group's risk position and the economic situation. The framework defines both the general risk appetite principles and the control of the overall risk profile and the main specific risks.
The general principles that govern the Intesa Sanpaolo Group's risk-taking strategy may be summarised as follows:

- the Group is a Banking Financial Conglomerate focused on a commercial business model where domestic retail activities remain the Group's structural strength, and include not only banking products and investment services, but also insurance and wealth management solutions tailored to the Group's customers;
- the Group's goal is not to eliminate risks, but to understand and manage them in such a way as to guarantee adequate returns on the risks taken and guarantee soundness and business continuity over the long term;
- the Group has a low risk profile in which capital adequacy, a sound liquidity position and a strong reputation are the key strengths for maintaining the stability of its current and prospective profitability;
- the Group aims for a capitalisation level in line with the main European peers and is dedicated to maintaining a capital level well above regulatory capital requirements, even under stress scenarios;
- the Group manages its liquidity position with the utmost care, in both the medium and short term, including the intraday horizon. To this end, it holds prudently calibrated liquidity buffers designed to absorb unexpected liquidity outflows in case of adverse events, whether market-related or idiosyncratic;
- the Group places the highest importance on complying with resolvability requirements, in line with its principles of sound and prudent management and its ongoing commitment to safeguarding and respecting all its stakeholders;
- the Group intends to maintain strict control over the risks arising from its activities;
- the Group devotes particular effort to the continuous strengthening of its risk culture as a fundamental instrument to promote sound risk-taking and ensure that risk-taking activities exceeding its risk appetite are recognised, assessed, escalated and addressed in a timely manner;
- to guarantee the sustainability of its operating model over the long-term, the Group attributes particular emphasis to monitoring and controlling non-financial risks, model risk, reputational risks and Environmental, Social and Governance (ESG) and climate change risks. With specific regard to the latter, Intesa Sanpaolo recognises the strategic importance of ESG factors and the urgency of limiting climate change and is committed to including the impact of these aspects in strategic decision-making processes and to fully integrate them into its risk management framework with the goal of maintaining a low risk profile. This includes controlling how ESG risks and those connected with climate change impact primary risks (credit, operational, reputational, market and liquidity risk) and implementing high ethical and environmental standards in internal processes, products and services offered to customers and in the selection of counterparties and suppliers.

The general principles are applicable at Group level as well as at the individual entity level (business unit/legal entity). In case of an external growth, these general principles will be applied taking into consideration the specific characteristics of the business in which the target is involved and its competitive environment.
The Risk Appetite Framework thus represents the overall framework within which the management of corporate risks is developed, with the establishment of general risk appetite principles and the resulting structuring of the control of:

- the overall risk profile;
- the Group's main specific risks.

The control of the overall risk profile derives from the definition of general principles and is structured in the form of a framework of limits aimed at ensuring that the Group, even under severe stress conditions, complies with minimum requirements of capital adequacy, liquidity, resolvability capacity and profitability, and also contains the non-financial risks, model risk, as well as reputational risks, ESG and climate change risks within appropriate limits.

In detail, the control of the overall risk profile is aimed at maintaining adequate levels of:
- capitalisation, also in conditions of severe macroeconomic stress, in relation to both Pillar 1 and Pillar 2, by monitoring the Common Equity Ratio, the Total Capital Ratio, the Leverage Ratio, the Risk Bearing Capacity, the Solvency Ratio and the Accumulated Other Comprehensive Income (AOCI) reserve;
- liquidity, sufficient to face periods of tension, including extended ones, on the various funding markets, with regard to both the short-term and the structural situation, by monitoring the internal limits of the Liquidity Coverage Ratio, Net Stable Funding Ratio, Loan/Deposit Ratio, Asset Encumbrance Ratio and Survival Period in an adverse scenario;
- stability of profits, by monitoring the adjusted net income and the adjusted operational cost on income, which represent the main potential causes for their instability;
- resolvability capacity (Total and Subordination MREL Ratios) in order to be able to absorb any losses and restore the Group's capital position, continuing to perform its critical economic functions during and after a crisis;
- non-financial risks, in order to minimise the potential impact of negative events that jeopardise the Group's economic stability;
- model risk, with the aim of limiting the financial and reputational impacts of its portfolio of models;
- reputational, ESG and climate change risks, through active management of one's image, aiming to prevent and contain any negative effects on one's reputation and integrating aspects connected to ESG factors, including climate change, into the risk management framework.

In compliance with the applicable regulations and in particular the EBA Guidelines (EBA/GL/2021/11) concerning the "Recovery plan indicators", the Group includes asset quality, market-based and macroeconomic indicators, to ensure consistency with its Recovery Plan.

The control of the main specific risks is implemented by establishing specific limits and mitigation actions to be taken in order to limit the impact of particularly severe future scenarios on the Group. These limits and actions regard the typical risks of the Group's activities, such as credit risk, market risk and interest rate risk, as well as the most significant risk concentrations such as, for example, on single counterparties, sovereign risk and public sector risk, as well as other types of operations deemed worthy of specific attention by the Corporate Bodies (e.g. transactions exposed to valuation risk, exposure to associated entities[365]).
Within the monitoring of the specific risks, the Credit Risk Appetite (CRA) Framework, a specific Risk Appetite Framework (RAF) for credit risk, identifies areas of growth for loans and areas to be monitored, using an approach based on ratings and other predictive statistical indicators, to guide lending growth by optimising the management of risk.

The limits set in the RAF are divided into two categories, Hard Limits and Soft Limits, which differ in the escalation process triggered by any violation. In particular, with regard to the Group limits, whose governance is established in detail in the Guidelines on the Group Risk Appetite Framework, the responsibility for approving the remediation plan is assigned:
- to the Board of Directors for Hard Limits, typically set for the main metrics used to control overall risk profile (e.g. Common Equity Tier 1 Ratio, Liquidity Coverage Ratio, etc.);
- to the Managing Director and CEO for Soft Limits, set on the metrics used to control the main specific risks (e.g. single name concentration, concentration towards the Italian public sector, etc.).

In addition to the limits themselves, Early Warning thresholds may be defined, the exceeding of which is promptly discussed in the competent managerial committee[366].

Defining the Risk Appetite Framework is an articulated process headed by the Chief Risk Officer, which involves close interaction with the Chief Financial Officer and the Heads of the various Divisions, is developed in line with the Internal Capital Adequacy Assessment Process (ICAAP), Internal Liquidity Adequacy Assessment Process (ILAAP), Recovery Plan, Capital Plan and Liquidity Plan processes, and represents the risk framework in which the Budget and Business Plan are developed. This ensures consistency between the strategy and the risk-taking policy and the Plan and Budget process.

[365] With regard to "Associated Entities", see the "Group Procedures regulating the conduct of transactions with Related Parties of Intesa Sanpaolo S.p.A., Associated Entities of the Group and relevant persons pursuant to art. 136 of the Consolidated Law on Banking", which set out the rules on relationships with parties with special elements of "proximity" to the decision-making centres of the Bank and the Banking Group, classified as Associated Entities, in compliance with the provisions issued on this matter by the Bank of Italy and in line with the Consob requirements. In that context, within the Risk Appetite Framework, at least once a year specific plafonds of Group exposure are proposed to the Board of Directors by involving the Parent Company structures concerned. Those plafonds, defined in line with the applicable limits, are broken down into sub-limits of exposure, divided among the Parent Company structures concerned and each Group company, considering the credit, equity and financial components of the market.

[366] The competent Managerial Committee varies according to the RAF metrics considered:
- for model risk metrics, the responsibility lies with the Credit Risk and Pillar 2 Internal Models Committee;
- for non-financial risks and reputational risk metrics, the responsibility lies with the Group Control Coordination and Non-Financial Risks Committee;
- for the metrics related to liquidity, market, interest rate for banking book, credit spread for banking book, equity participation (relating to the private equity funds), structural foreign exchange and insurance risks metrics, the responsibility lies with the Group Financial Risks Committee;
- for the metrics of capital adequacy, resolvability capacity, stability of profits, ESG & climate change, asset quality, credit risk, country risk, equity risk (excluding private equity funds) wealth management metrics and for all those metrics not explicitly indicated in the points above, the responsibility lies with the Steering Committee.

Within the annual RAF update process, it is possible to identify the following phases:
– definition of the scope of RAF risks: risks are identified continuously within the Group to maintain ongoing alignment with the changing internal and external context and to guarantee the adequacy of the controls and limits implemented to safeguard the Group Long term viability. The activity is formalised within the Group's Risk Identification process. The scope of RAF risks is thus defined starting with that process, paying particular attention to the evolution of the risks for which specific limits and/or risk strategy actions are deemed necessary;
– formulation of the limits proposal: in general, the RAF limits are defined according to a prudential approach. However, the criteria adopted to determine the risk limits differ depending on whether related to control of the overall Group risk or to control of the main specific Group risks;
– reconciliation between the RAF, Business Plan/Budget, Recovery Plan and Divisions operations: consistency between the RAF and the Business Plan/Budget and other processes is sought in all phases of the related preparation procedures through a process of mutual consultation and dialogue that lasts for several months, involving not only the structures of the Chief Risk Officer Governance Area, the Chief Financial Officer Governance Area, and the Chief Sustainability Officer Governance Area, for its area of responsibility, but also the Business Divisions/Structures;
– approval of the RAF: in line with the provisions of the applicable regulations, the Board of Directors defines and approves the risk objectives, the tolerance threshold (where identified) and the risk governance policies.

The RAF is updated annually in preparation for the Annual Budget and/or the Business Plan. During the year, when significant events occur, such as exceptional changes in the market context in which the Group operates, significant changes in the configuration of the Group and/or its strategy or based on direct instructions from the Board of Directors, also through the Risks and Sustainability Committee, the Chief Risk Officer Governance Area assesses whether the RAF is still adequate and, if necessary, proposes partial or full revisions to the framework.
The definition of the RAF and the consequent operational limits for the main specific risks, the use of risk measurement instruments in credit management and operational risk control processes, the use of capital-at-risk measures for corporate performance reporting and assessment of the internal capital adequacy of the Group represent fundamental milestones in the operational application of the risk strategy defined by the Board of Directors along the Group's entire decision-making chain, down to the single operational units and to the single desks.
The Group sets out these general principles in policies, limits and criteria applied to the various risk categories and business areas, in a comprehensive framework of limits and procedures for governance and control.

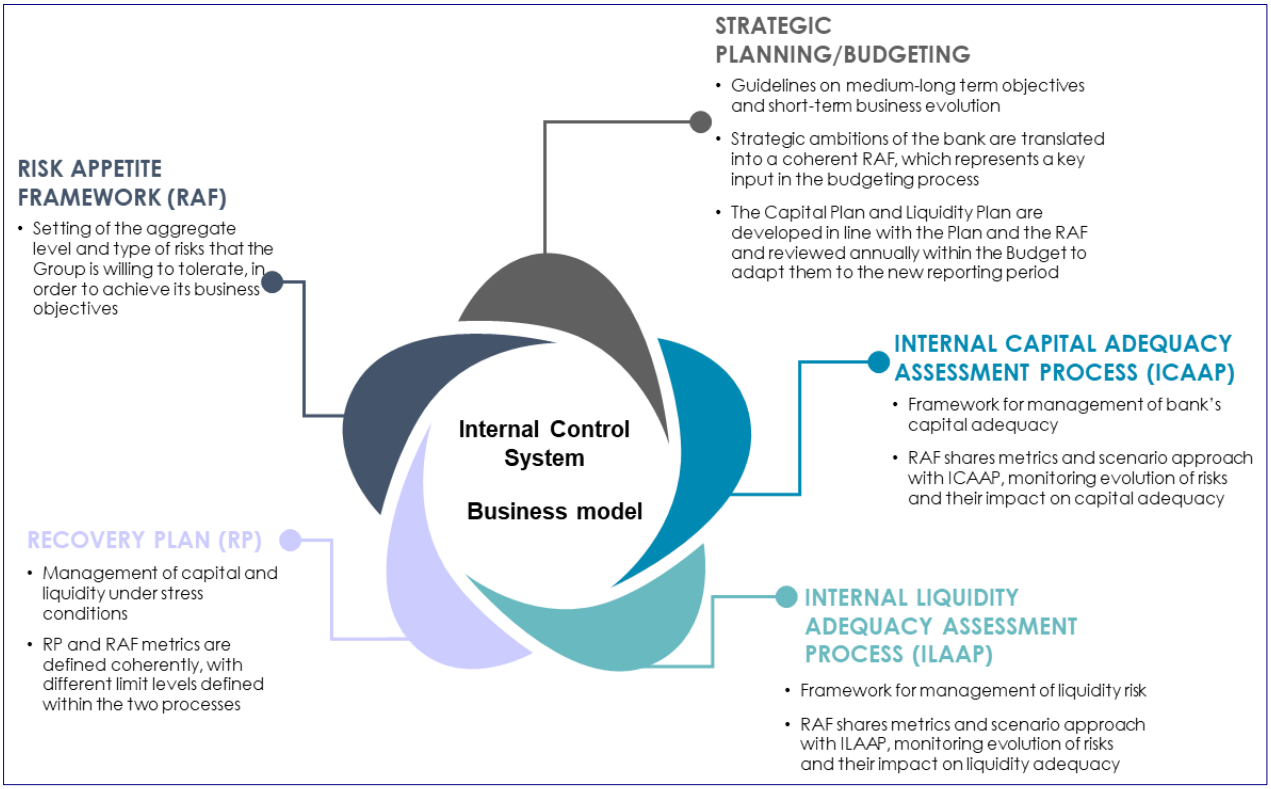
As part of correct risk assessment and the development of an adequate system of monitoring and control to mitigate them, the Chief Risk Officer, with the support of the Chief Compliance Officer and Legal Affairs – Group General Counsel, where envisaged, conducts a preventive risk assessment of Most Significant Transactions (MSTs) – understood as transactions of particular importance of the proprietary type or with individual customers or counterparties or that could potentially have a significant impact on the overall risk profile and/or on specific risks of the Group, as defined in the RAF – in order to ensure the assumption of a risk level acceptable for the Group and in line with the RAF. The MST governance model also requires the Chief Risk Officer to report every six months to the Corporate Bodies on the activities performed.

The assessment of the Group's capital adequacy and liquidity profiles is conducted annually with the ICAAP and the ILAAP, which represent self-assessment processes according to the Group's internal rules, the results of which are then also discussed and analysed by the Supervisor.
With regard to the ICAAP, in accordance with the ECB requirements, the capital adequacy self-assessment process incorporates two complementary perspectives, both of which are analysed from an actual perspective and, on a prospective basis, in a baseline scenario and a stress scenario:
– regulatory perspective, in which the regulatory metrics for the Pillar 1 risks over the medium term (several years) are represented for both these scenarios;
– financial and operating perspective, in which the management measures and metrics covering all the risks, including the Pillar 2 risks, are presented, with a time horizon of several years in the baseline scenario, and a time horizon of at least two years in the stress scenario.

The scope of analysis also includes the insurance segment to better capture the specific characteristics of the Group's business model (financial conglomerate).
The quantitative reconciliation between regulatory requirements and management estimates of capital adequacy is set out in a specific document attached to the ICAAP Package, which reports the differences in scope and definition of risks considered in both areas, as well as the differences, where appreciable, between what is considered in the two perspectives in terms of the main parameters (e.g. confidence interval and holding period) and assumptions (such as those relating to the diversification of effects).
The ILAAP is the internal process of self-assessment of the adequacy of the Group's short-term and structural liquidity position. Like the ICAAP, it is based on two complementary pillars – the economic perspective and the regulatory perspective – aimed at supporting a clear assessment of the liquidity risks and their effective governance, based on a management strategy, all aspects of which have been carefully considered, with the establishment of an appropriate system of risk-taking limits.

The Group is required to provide a Recovery Plan according to indications received by Supervisory Authorities. The Recovery Plan is governed by the European Bank Recovery and Resolution Directive – BRRD - 2014/59/EU, transposed into Italian law by Legislative Decrees no. 180 and no. 181 of 16 November 2015 and the Bank Recovery and Resolution Directive – BRRD II - Directive 2019/879/EU, transposed into Italian law by Legislative Decree no. 193 of 8 November 2021, in force from 1 December 2021, and establishes the methods and measures to be used when an institution comes under severe stress and in an early intervention phase, in order to restore financial strength and long-term viability.
Within the annual preparation process for the Group Recovery Plan, the Chief Risk Officer Governance Area identifies the stress scenarios suitable for highlighting the main vulnerabilities of the Group and its business model (e.g. significant exposure to the domestic market), as well as measuring their potential impacts on the Group's risk profile.
For 2025, in accordance with the applicable regulations, the Intesa Sanpaolo Group has developed four stress scenarios, one of which is purely idiosyncratic, with very rapid evolution, while the other three are "combined", as they are based on a

macroeconomic scenario that is made more severe by the addition of specific events. In particular, one of the combined scenarios was developed assuming a global crisis generated by the escalation of geopolitical tensions in the Middle East and the deterioration of relations between China and Taiwan.
Following the publication of the European Banking Authority's Final Report on Recommendation on the coverage of entities in a group recovery plan (EBA/Rec/2017/02), dated 1 November 2017, Intesa Sanpaolo has adopted specific criteria for the classification of Group companies among:
– Group-relevant;
– Locally relevant;
– Not relevant.
The application of these criteria to the Group scope has led to the Parent Company, as well as Fideuram ISPB Group, VUB Group, Banka Intesa Sanpaolo d.d., Intesa Sanpaolo Bank Ireland[367], Intesa Sanpaolo Bank Luxembourg, CIB Group, PBZ Group, Banca Intesa AD Beograd and Intesa Sanpaolo Romania, being classified among the Group-relevant entities. The remaining companies are included in the category of not relevant entities. The above breakdown is consistent with the scope covered by the 2025 Recovery Plan (reporting date 31 December 2024).
The Intesa Sanpaolo Group ensures full consistency of the business model and internal control system with the Business Plan and the Budget, the RAF, the Recovery Plan, the ICAAP and the ILAAP, as illustrated in the diagram below.



[367] The bank was merged into Intesa Sanpaolo Bank Luxembourg in 2025.

Stress Tests

Stress tests are a fundamental risk management tool that enable institutions to adopt a forward-looking perspective in their risk management, strategic and capital planning activities.
The Group regularly carries out stress tests within the main company processes (RAF, ICAAP/ILAAP, Recovery Plan, Budget/Capital Plan,...) aimed at assessing capital and liquidity adequacy.
In line with the applicable regulations, the Group has a structured stress testing framework that governs the stress testing activities with reference to both the organisational and governance aspects, as well as the methodological and data infrastructure related aspects. It is an integral part of the Group's risk management systems, providing fundamental support to the company processes and decisions, the strategic ones in particular, which are linked to the management of capital and liquidity. It also enables a forward-looking assessment of the potential material risks and of the main vulnerabilities which the Group is exposed, also in stress scenarios, using both scenario analyses and sensitivity analyses, depending on the objective of the exercise.

The stress testing framework establishes the:
– roles and responsibilities of the structures involved and of the Corporate Bodies;
– stress testing activities (types of exercises, scope, frequency, objectives and applications);
– macro-process adopted;
– methodological approach;
– data infrastructure;
– Group steering and coordination.

With regard to the *macro-process*, the stress test exercises consist of three fundamental phases:
– selection and approval of scenarios;
– execution of stress tests activities;
– approval of the outcome.

With regard to the *types of exercises*, the Group conducts the following exercises:
– **multi-risk exercises**: based on scenario analysis, it allows the assessment, according to a forward-looking approach, of the simultaneous impact on the Group of multiple risk factors, also taking into account the inter-relations and possibly the ability of Top Management to react. This type of exercise, which requires the full revaluation of each impact, is also used as part of the processes of RAF, ICAAP/ILAAP and Recovery Plan;
– **regulatory multi-risk stress exercises**: arranged and coordinated by the Supervisor/Regulator who defines the general assumptions;
– **situational exercises**: internal exercises or requested by the Top Management or by the Supervisor/Regulator with the aim of assessing, in a forward-looking approach, the impact of particular events (relating to the geopolitical, financial, economic, competitive environment, etc.);
– **single or specific risk stress exercises**: aimed at assessing the impact of scenarios (or single or more specific risk factors) on specific risk areas;
– **regulatory single or specific risk stress exercises**: ordered and coordinated by the Supervisor/Regulator which defines its general assumptions and scenarios, to assess the impact on specific risk areas.

The results of the stress exercises, carried out through scenario and/or sensitivity analyses, represent a support for the Group in the:
– overall current and forward-looking assessment of capital and liquidity adequacy within the main strategic processes (ICAAP, ILAAP, Recovery Plan and Budget/Capital Plan);
– assessment of the potential vulnerabilities to which the Group is exposed and possible mitigation actions;
– setting of the limits envisaged in the RAF.

With specific reference to the regulatory multi-risk exercises, on 1 August 2025, the results of the 2025 EU-Wide Stress Test were announced. The test was conducted by the European Banking Authority (EBA), in cooperation with the Single Supervisory Mechanism (SSM), the Bank of Italy, the European Central Bank (ECB) and the European Systemic Risk Board (ESRB) and involved also Intesa Sanpaolo for the scope of consolidation. The stress test, with a time horizon of three years, was conducted applying a static balance sheet assumption as of December 2024, without considering future business strategies and management actions. It is not a forecast of the Intesa Sanpaolo Group's profits. The Intesa Sanpaolo Group fully loaded CET1 ratio resulting from the stress test for 2027, the final year considered in the exercise, stood at 13.95% under the baseline scenario and 11.78% under the adverse scenario, compared to 12.40% restated for CRR3 (former effective 13.26%) on 31 December 2024. These results highlight that Intesa Sanpaolo is able to confirm its solidity even in complex scenarios, thanks to its well-diversified and resilient business model.

During 2026, the Intesa Sanpaolo Group will participate in the regulatory exercise 2026 SSM Geopolitical Risk Reverse Stress Test conducted by the European Central Bank (ECB). The exercise, which will involve 110 banks directly supervised by the ECB, envisages a "reverse" stress test approach: each bank will have to design a geopolitical risk scenario that would lead to a reduction of at least 300 basis points in its Common Equity Tier 1 (CET1) capital ratio. Aggregate results will be released in the summer of 2026.

Risk Culture

Risk culture is a clear set of principles and behaviours that guide how risk is perceived and managed. It is gaining increasing attention as a vital tool to promote financial viability as a key value in a rapidly changing environment. This is two-sided, as it is an expression of the principles guiding the Group (top-down) on one side, and the values and attitudes of its people on the other (bottom-up). Particular attention is paid to the promotion of the guiding principles, also by systematically and carefully updating the reference documents on risk (e.g. Tableau de Bord of Group Risks, ICAAP, RAF) and the information set for the exercise of operational activities. In addition, several initiatives were carried out during 2025 to strengthen risk awareness and responsibility, including:

– workshops/webinars dedicated to the Control Functions for dissemination and training purposes, held by internal and external speakers, on innovative topics with a high potential impact on the Group's risk profile (e.g. demographic transition, optimisation of the financial portfolio, climate change, risk aversion, geopolitics, and artificial intelligence, as well as the megatrends of the Group's operating environment);
– the Risk Resilience Foundation training programme was launched as part of the Risk Culture faculty, involving all Group employees in successive steps;
– in line with previous years, the Risk Culture Ambassador initiative entailed an exchange of resources from the Chief Risk Officer Area, receiving the same number of resources from the recipient structures of the Head Office Departments and Divisions.

Risk governance organisation

The policies relating to risk taking and the processes for the management of the risks to which the Group is or could be exposed are approved by the Board of Directors of Intesa Sanpaolo as the Parent Company, with the support of the Risks and Sustainability Committee. The Management Control Committee, which is the body with control functions, supervises the adequacy, efficiency, functionality and reliability of the risk management process and of the Risk Appetite Framework (RAF).
The Managing Director and CEO has the power to submit proposals for the adoption of resolutions concerning the risk system and implements all the resolutions of the Board of Directors, with particular reference to the implementation of the strategic guidelines, the RAF and the risk governance policies. In addition, as an Officer performing management functions, he/she is designated as the Anti-Money Laundering Officer.

The Corporate Bodies also benefit from the action of some Managerial Committees on risk management. These Committees operate in compliance with the primary responsibilities of the Corporate Bodies regarding internal control system and the prerogatives of Corporate control functions, and specifically the risk control function. In particular:

– the Steering Committee, chaired by the Managing Director and CEO, is a Group body with a decision-making, consulting and reporting role, which, within the Group Risk Analysis Session, seeks to ensure the control and management of risks and safeguard business value at Group level, including the internal control system, in implementation of the strategic guidelines and management policies established by the Board of Directors. Its various tasks include examining the RAF proposal for the Group, preparatory and instrumental to its approval by the Board of Directors, the analysis of the ICAAP and ILAAP Group packages and of the Tableau de Bord of Group Risks;
– the Group Financial Risks Committee is a technical body with decision-making, reporting and consulting powers, focused both on the risks relating to the banking business (including market risk, banking book financial risks, liquidity risk, financial risks for customer investments, supervision and monitoring of business models, and Active Value Management) and those in the life and non-life insurance business (result exposure to the trend in market variables and technical variables). The functions of said Committee are set out in three sessions:
    - the Risk Analysis and Valuation Session, chaired by the Chief Risk Officer, responsible for evaluating, inter alia, in advance of approval by the Board of Directors, the guidelines on undertaking and measuring financial risks and the liquidity risk of the Group, with a view to consistency with the RAF, proposals for operational limits for financial operations referring to interest rate risk of the banking, the trading book and valuation risk defining, within the scope of the powers received, the distribution thereof amongst the Group's major units. It also periodically analyses the overall financial risk profile and exposure to liquidity risk and interest rate risk of the Group and the single Group banks and companies, under normal and stress conditions, verifying any breaches of the limits and monitoring the approved come-back procedures;
    - the Management Guidelines and Operating Choices Session (ALCO), chaired by the Chief Financial Officer, provides the Group companies operational guidelines in implementation of the strategic guidelines and risk management policies laid down by the Board of Directors, in respect of management of the banking book, liquidity, interest rate and exchange risk;
    - the ALCO session – Extended, chaired by the Chief Risk Officer, which analyses the performance of loans and deposits, in current and prospective terms, together with the expected trend in Risk-Weighted Assets (RWA) and financial assets (debt securities and loans) measured at Fair Value through Other Comprehensive Income (FVOCI reserves), in order to monitor and assess their impact on the Group's liquidity and capital profiles;
– the Credit Risk and Pillar 2 Internal Models Committee is a technical body with a decision-making, reporting and advisory role responsible for:
    - the internal models for the measurement and management of credit risk;
    - the internal models for Pillar 2 risks[368].
– the Group Control Coordination and Non-Financial Risks Committee is divided into specific and distinct sessions:
    - the Integrated Internal Control System session, with a reporting and advisory role, whose objective is to reinforce coordination and the interdepartmental cooperation mechanisms within the Group internal control system, thus

[368] The scope does not include the Pillar 2 models for the measurement and quantification of financial risks in the banking book, which already come under the scope of the Group Financial Risks Committee and the Pillar 2 models for the measurement and quantification of operational and reputational risks, which, instead, come under the scope of the Group Control Coordination and Non-Financial Risks Committee. However, it does include the models used for stress testing and forward-looking income statement valuations.

promoting the integration of the risk management process, and in relation to non-financial and reputational risks, to facilitate their effective management;
  - the Operational Risk session, with a decision-making, reporting and advisory role, which has the task of supervising the implementation of operational and reputational risk management guidelines and policies in accordance with indications formulated by the Board of Directors and periodically reviewing the overall non-financial risk profile, monitoring the implementation of the mitigation actions identified in accordance with indications formulated by the Corporate Bodies and/or the Steering Committee;
  - reputational Steering Session, with a decision-making, information and advisory role, which has the task of strengthening existing safeguards for the proactive management of potential reputational impacts on the Group;
  - the Compliance Risk Session, for reporting and consulting purposes, which is tasked with examining the results of the periodic compliance risk assessments.

  The sessions of the Committee are attended by, among others, the Heads of Corporate control functions, as well as the Manager responsible for preparing the Company's financial reports as a permanent member. This contributes to fulfilling the assigned legal obligations and the responsibilities established in the Company Regulations on the supervision of the financial reporting process. It also enables the promotion of the inter-functional coordination and integration of control activities, within its area of responsibility;
- the Group Credit Committee is a technical Body with a decision-making and advisory role tasked with ensuring the coordinated management of issues relating to credit risk, and is organised in separate sessions. Among other duties, the Committee resolves on the granting, renewal and confirmation of loans within the scope of the powers assigned to it;
- lastly, the Hold To Collect and Sell (HTCS) Sign-Off Committee is tasked with proposing the assumption of market risks put forward by the business structures of the Parent Company or the subsidiaries, on the HTCS shares required for Originate to Share ("OtS") transactions. These transactions consist of loans originated with the intention of being distributed to third-party operators on the primary or post-primary/secondary market and which upon origination have a holding period that varies according to the counterparty's rating class and product type.

The Chief Risk Officer Governance Area, directly reporting to the Managing Director and CEO, in which the risk management functions are concentrated, including the controls on the risk management and internal validation process, represents a relevant component of the "second line of defence" of the internal control system that is separate and independent from the business supporting functions.
This Area is responsible for governing the macro process of definition, approval, control and implementation of the Group's Risk Appetite Framework with the support of the other corporate functions involved, as well as assisting the Corporate Bodies in setting and implementing the Group's risk management guidelines and policies, in accordance with the company's strategies and objectives, and coordinates and verifies their implementation by the responsible units of the Group, also within the various corporate areas, guaranteeing the measurement and control of the Group's exposure to various types of risk, implementing the second level controls on credit and other risks, including Data Governance, ensuring the validation of risk measurement and management internal systems and of the Group Data Governance model.
To that end, the Chief Risk Officer Governance Area is broken down into the following Organisational Units:
- Credit, Enterprise & Operational Risk Management Coordination Area:
  - Credit Risk Management;
  - Enterprise Risk Management;
  - Operational, IT & Cyber Risk Management;
- Business Units, Market & Financial Risk Management Coordination Area:
  - Market & Financial Risk Management;
  - IMI CIB Risk Management;
  - BdT Risk Management;
  - IBD & Other Subsidiaries Risk Management;
- Internal Validation & Controls Coordination Area:
  - Internal Validation & Model Risk Management;
  - Second Level Controls & Data Governance Validation.

The Chief Risk Officer Governance Area is responsible for operational implementation of the strategic and management guidelines along the Bank's entire decision-making chain, down to individual operational units. The risk control functions of subsidiaries with a decentralised management model and any representatives of the Parent Company's risk control function at subsidiaries with a centralised management model report to it.

The Chief Compliance Officer Governance Area, which reports directly to the Managing Director and CEO, in a position that is independent from operating departments and separate from internal auditing, ensures the monitoring of the Group regulatory compliance risk, including conduct risk. Within the Risk Appetite Framework, the Chief Compliance Officer Governance Area (i) proposes the statements and limits set for compliance risk and (ii) collaborates with the Chief Risk Officer Governance Area in the monitoring and control of non-financial risks for compliance purposes and, if the set limits are exceeded, in the identification/analysis of events attributable to non-compliance with regulations and in the identification of appropriate corrective measures.
The Chief Compliance Officer Governance Area is broken down into the following organisational units:
- Regulatory Compliance Retail and Private Banking Head Office Department;
- Regulatory Compliance Corporate and Investment Banking Head Office Department;
- Compliance Governance, Privacy and Controls Head Office Department, which includes the Data Protection Officer function that performs the tasks assigned by data protection legislation;
- Anti Financial Crime Head Office Department, which is tasked, inter alia, with the duties and responsibilities of the anti-money laundering function;
- Compliance Digital Transformation.

The Parent Company performs a guidance and coordination role with respect to the Group companies[369], aimed at ensuring effective and efficient risk management at Group level, exercising responsibility in setting the guidelines and methodological rules for the risk management process, and pursuing, in particular, integrated information at Group level to the Corporate Bodies of the Parent Company, with regard to the completeness, adequacy, functioning and reliability of internal control system. For the corporate control functions in particular, there are two different types of models within the Group based on the specific characteristics of the subsidiaries and the local regulatory constraints: (i) the centralised management model based on the centralisation of the activities at the Parent Company and (ii) the decentralised management model that involves the presence of locally established corporate control functions that conduct their activities under the direction and coordination of the same corporate control functions of the Parent Company, to which they report in functional terms.
Irrespective of the control model adopted within their company, the corporate bodies of the Group companies are aware of the choices made by the Parent Company and are responsible for the implementation, within their respective organisations, of the control strategies and policies pursued and promoting their integration within the Group controls.

[369] In this regard, it is specified that Intesa Sanpaolo does not exercise management and coordination over Risanamento S.p.A. or its subsidiaries pursuant to Articles 2497 *et seq.* of the Italian Civil Code.

The internal control system

To ensure a sound and prudent management, Intesa Sanpaolo combines business profitability with an attentive risk-acceptance activity and an operating conduct based on fairness.
Therefore, the Bank, in line with legal and supervisory regulations in force and consistently with the Corporate Governance Code for Listed Companies, has adopted an internal control system capable of identifying, measuring and continuously monitoring the risks typical of its business activities.
Intesa Sanpaolo's internal control system is built around a set of rules, functions, structures, resources, processes and procedures aimed at ensuring, in compliance with sound and prudent management, the achievement of the following objectives:

- verification of the implementation of Company strategies and policies;
- containment of risk within the limits set out in the reference framework for determining the Bank's risk appetite (Risk Appetite Framework – RAF);
- safeguard of asset value and protection from losses;
- effectiveness and efficiency of the Company processes;
- reliability and security of Company information and IT procedures;
- prevention of the risk that the Bank may be involved, including involuntarily involved, in illegal activities (with special regard to those relating to money-laundering, usury and financing of terrorism);
- compliance of business operations with the law and supervisory regulations, as well as internal policies, procedures and regulations.

The internal control system plays a crucial role and involves the entire company organisation (Bodies, structures, hierarchical levels, all personnel). In compliance with the provisions of Bank of Italy Circular 285/2013 (First Part, Title IV, Chapter 3) the "Integrated Internal Control System Regulation" was finalised. This aims to define the guidelines of Intesa Sanpaolo's internal control system, in its capacity as Bank and Parent Company of the Banking Group, through the adaptation of the reference principles and the definition of the responsibilities of the Bodies and of the functions with control duties, which contribute, in various ways, to the proper operation of the internal control system, as well as the identification of coordination arrangements and information flows supporting system integration.
The internal control system is made up of a documentation infrastructure (regulatory framework) that provides organised and systematic access to the guidelines, procedures, organisational structures, and risks and controls present in the Company, which incorporate all the company policies and the instructions of the Supervisory Authorities, as well as the provisions of law, including the principles laid down in Legislative Decree 231/2001.
The regulatory framework consists of "governance documents", adopted from time to time, that oversee the operation of the Bank (Articles of Association, Code of Ethics, Group Internal Code of Conduct, Group Regulations, Group Committees Regulation, Regulation on Related Party Transactions, Integrated Internal Control System Regulation, Authorities and powers, Guidelines, Function charts of the Organisational Structures, etc.) and more strictly operational regulations that govern business processes, individual operations and the associated controls (Rules, Process Guidelines, Control Sheets, etc.).
More specifically, the corporate rules set out organisational solutions that:

- ensure sufficient separation between the operational and control functions and prevent situations of conflict of interest in the assignment of responsibilities;
- are capable of adequately identifying, measuring and monitoring the main risks assumed in the various operational segments;
- enable the recording of every operational event and, in particular, of each transaction, with an adequate level of detail, ensuring their correct allocation over time;
- guarantee reliable information systems and suitable reporting procedures for the various managerial levels assigned the control functions;
- ensure the prompt notification to the appropriate levels within the business and the swift handling of any anomalies found by the business units, the internal audit department and the other control functions;
- ensure adequate levels of business continuity.

The Company's organisational solutions also include controls at each operational level that enable the uniform and formalised identification of responsibilities, particularly in relation to the tasks of controlling and correcting the irregularities found.
In terms of Corporate Governance, Intesa Sanpaolo adopted the one-tier corporate governance system, pursuant to Articles 2409-sexiesdecies and following of the Italian Civil Code. It therefore conducts its operations through a Board of Directors, certain members of which are also members of the Management Control Committee.
Based on this system:

- the Board of Directors is the body responsible for strategic supervision and performs all the tasks assigned to it by the Articles of Association, the applicable regulations and the Bank's governance documents;
- the Managing Director and CEO performs the tasks assigned by the supervisory regulations to the body responsible for management, as set out in the Bank's governance documents, approved by the Board of Directors, except for the responsibilities assigned to the Board;
- the Management Control Committee performs the control function.

The Board of Directors elects a Managing Director from its members, other than the Chair of the Board, the members of the Management Control Committee or the minimum number of Independent Directors.
The Intesa Sanpaolo Group adopts an internal control system based on three levels, in line with the legal and regulatory provisions in force.
The model has the following types of control:

- Level I: line controls which are aimed at ensuring proper performance of operations (for example, hierarchical, systematic and sample-based controls) and which, to the extent possible, are incorporated in the IT procedures. They are carried out by the same operating and business structures, including through units dedicated exclusively to control duties reporting to the heads of the same structures or performed as part of the back office.
- Level II: risk and compliance controls for the purpose of ensuring, inter alia:
  - correct implementation of the risk management process;
  - compliance with the operational limits assigned to the various functions;
  - regulatory compliance of company operations, also in relation to self-regulatory provisions.

The functions assigned to such controls are separate from the ones in charge of production and contribute to the definition of the risk governance policies and the risk management process. In the Intesa Sanpaolo Group, Level II includes the following Parent Company structures and the equivalent local units of the Group companies, where established:
  - Chief Compliance Officer Governance Area, which has the tasks and responsibilities of the "compliance function", as defined in the applicable regulations, and which includes the "anti-money laundering function", within the Anti Financial Crime Head Office Department, which has the tasks and responsibilities laid down in the regulations on anti-money laundering, counter-terrorism, monitoring of financial sanctions, anti-corruption and the "Data Protection Officer function", within the Compliance Governance, Privacy and Controls Head Office Department, which performs the tasks assigned by data protection legislation;
  - Chief Risk Officer Governance Area, which is assigned the role of the risk management function, as defined by the applicable regulations. The Chief Risk Officer Governance Area also includes the Internal Validation & Controls Coordination Area, which is tasked, among other things, with the duties and responsibilities of the "validation function", as defined by the applicable regulations, as well as Level II controls on credit and data governance;
- Level III: internal audit controls to identify breaches of procedures and regulations, as well as to periodically assess the completeness, adequacy, functionality (in terms of efficiency and effectiveness) and reliability of the internal control system and the IT system at Group level, at scheduled deadlines in relation to the nature and intensity of the risks.

In the Intesa Sanpaolo Group, internal auditing is carried out by the Parent Company's Chief Audit Officer and by the equivalent local units of Group companies, where established.

The Manager responsible for preparing the Company's financial reports also contributes to the internal control system, and, pursuant to Article 154 bis of the Consolidated Law on Finance, exercises oversight at Group level of the internal control system for the purpose of accounting, financial and sustainability reporting.
The internal control system is periodically reviewed and adapted in relation to business development and the reference context. Intesa Sanpaolo has an internal control structure consistent with the indications provided by the Supervisory Authorities.

Compliance

The governance of compliance risk is of strategic importance to the Intesa Sanpaolo Group as it considers compliance with the regulations and fairness in business to be fundamental to the conduct of banking operations, which by nature are founded on trust.
The responsibilities and duties of the compliance function are assigned to the Chief Compliance Officer, who is independent and autonomous in relation to the operating structures, reports directly to the Corporate Bodies and has access to all activities within the Bank, as well as any significant information for the performance of its duties.
The Group's Compliance Model is set out in the Guidelines approved by Intesa Sanpaolo's Corporate Bodies, which indicate the responsibilities of the various company structures and macro processes to mitigate compliance risk:
- identifying and assessing compliance risk;
- proposing the organisational measures functional for mitigation of this risk;
- conducting pre-assessments of the compliance of innovative projects, operations and new products and services;
- providing advice and assistance to the governing bodies and the business units in all areas with significant compliance risk;
- monitoring of ongoing compliance, both through control of compliance with regulations by company structures, and through the use of information provided by the other control functions;
- disseminating a corporate culture founded on the principles of honesty, fairness and respect for the spirit and the letter of the rules, as well as the enhancement of technical-professional skills, including in the area of IT developments;
- managing relations with the Authorities with regard to compliance issues and non-compliance events.

The compliance function also includes the Data Protection Officer function, which performs the tasks assigned by data protection legislation in accordance with the governance model described in the Guidelines on the protection of personal data of natural persons.

The regulatory scope – including Environmental, Social and Governance (ESG) factors, Cybersecurity and Artificial Intelligence – and the procedures for monitoring regulatory areas that present significant non-compliance risks for the Group are defined in the aforementioned guidelines. The Chief Compliance Officer submits periodic reports to the Corporate Bodies on the adequacy of compliance control, with regard to all regulatory aspects applicable to the Group which show compliance risks. On an annual basis, these reports include an identification and assessment of the primary compliance risks to which the Group is exposed and a schedule of the associated management measures, and on a half-yearly basis they include a description of the activities performed, critical issues noted, and remedies identified. A specific notice is also given when events of particular significance occur.

As regards to the method of direction, coordination and control of the Group, the Group Compliance Guidelines envisage the adoption of two models. These models are organised in such a way as to account for the Group's structure in operational and territorial terms.
In particular:
- for the specifically identified Italian banks and companies, whose operations have a high level of integration with the Parent Company, compliance monitoring is centralised at the Parent Company;
- the Compliance Officers of the subsidiaries functionally report to the Chief Compliance Officer Governance Area structures, while those of the foreign branches, except where not permitted by local regulations, hierarchically report to the Chief Compliance Officer Governance Area structures for the other companies, that have a legal obligation or have been specifically identified based on the business conducted, as well as the foreign branches, an internal compliance function is established and a local Compliance Officer is appointed, which are assigned compliance responsibilities. Functional reporting is also in place for the local Data Protection Officers of Group companies established in the European Union.

Anti-Money Laundering

The duties and responsibilities of the anti-money laundering function are assigned, as required by the regulations, to the Anti Financial Crime Head Office Department, which reports to the Chief Compliance Officer, and is therefore independent and autonomous in relation to the operating structures, reporting directly to the Corporate Bodies, and has access to all activities within the Bank, as well as to any significant information for the performance of its duties.
Specifically, as envisaged in the Guidelines for combating money laundering and the financing of terrorism and for managing embargoes, the Group Anti-Corruption Guidelines and the Guidelines governing transactions with subjects active in the armaments sector, the Anti Financial Crime Head Office Department ensures monitoring of compliance risk in the area of money laundering, terrorist financing, breach of embargoes, weapons and corruption (Financial Crime), by:

- laying down the general principles to be adopted within the Group for the management of compliance risk;
- identifying and assessing compliance risk;
- conducting ongoing monitoring, with the support of the competent functions, of developments in the national and international context of reference, verifying the adequacy of company processes and procedures with respect to applicable regulations and proposing appropriate organisational and procedural changes;
- providing advice to the corporate functions, as well as establishing adequate training plans;
- preparing appropriate periodic reporting for Corporate Bodies and top management;
- discharging the required specific obligations including, in particular, enhanced customer due diligence, controls of proper management of the data storage archive and the assessment and monthly submission to the Financial Intelligence Unit of data relating to aggregated anti-money laundering reports, and the assessment of reporting of suspicious transactions received from operating structures for the submission to the Financial Intelligence Unit of reports deemed accurate.

The Anti Financial Crime Head Office Department also performs its role of direction, coordination and control of the Group according to a model similar to the one described for the compliance function.

The Risk Management and Internal Validation Function

The Chief Risk Officer Governance Area is responsible for operational implementation of the strategic and management guidelines for risk along the Bank's entire decision-making chain, down to individual operational units. The tasks and functions are discussed in detail in the subsequent chapters of this Part.
Through the Internal Validation & Controls Coordination Area, the Chief Risk Officer Governance Area carries out the Level II controls on credit and data governance.
The purpose of the credit controls is to verify the proper classification and provisioning and the adequacy of the management and recovery process for individual exposures (so-called single names).
In general, the control activities development includes the credit processes assessment also to verify that suitable Level I controls are in place, including proper execution and traceability. The potential areas of investigation to be examined through Single Name controls also consider the results of the monitoring carried out by the Level I Control Functions on different credit clusters.
The Coordination Area defines and oversees the validation framework of the Group's Data Governance model, ensuring the preparation and execution of the annual "Regular Assessment" of the Risk Data Aggregation and Risk Reporting (RDARR) process at Group level. It also oversees, within the overall risk management process, the performance of second-level controls related to Data Governance.
In accordance with regulatory developments, the Internal Validation & Controls Coordination Area is also responsible for the development, maintenance and oversight of the framework for the model risk governance, aimed at ensuring the identification, assessment, monitoring and mitigation of the risk for all Internal Systems, including the Pillar 1 and 2 risk measurement systems and the systems that are used for accounting purposes. To that end, the Coordination Area mainly carries out the following activities, in coordination with the functions concerned: a) defining and developing the model risk governance and methodological framework to identify models, assign the related priorities and assess and mitigate model risk, including the methodology for quantifying the economic capital in relation to model risk; b) defining, managing and upgrading the Group Model Management platform (Group Model Inventory) with the goal of guaranteeing a complete, updated inventory of the models and tracking of the processes connected to the various phases of their life cycles; c) ensuring the periodic identification and assessment of model risk and contributing the calculation of the economic capital in relation to model risk; d) overseeing the process for assigning priorities to models (tiers) in order to efficiently steer their governance, with specific reference to the levels of detail, analysis and frequency of validation and development activities; e) for the model risk component, contributing to the annual proposal to update the Group RAF and periodically monitoring the model risk appetite indicators; and f) providing periodic disclosure on the Model Risk Management Framework and on the results of the model risk assessments to the Head of the Chief Risk Officer Area, the competent managerial committees and the Corporate Bodies.
Moreover, the Internal Validation & Controls Coordination Area is assigned the validation function, aimed at ensuring the validation at Group level of the internal risk measurement systems, used both for the determination of capital requirements and for non-regulatory purposes, in order to assess their compliance with regulatory provisions, operational needs and reference market demands[370].
The internal systems adopted by the Group are validated on first adoption (based on the plans of gradual extension made by the Group) or when changes are made to them, in compliance with the development and validation process approved by the Corporate Bodies. The validation function also ensures the periodic review of internal systems in terms of models, processes, data used and implementations in IT, assessing their adequacy, predictive ability and performance, as well as their compliance over time with regulatory provisions, company needs and changes in the reference market.
Upon First Adoption, two approaches were developed for the validation of the Pillar 1 internal credit risk models: the Stage Gate Approach and the Waterfall Approach, with the latter corresponding to the validation traditionally carried out at the end of the development of the model. The Stage Gate approach essentially involves a series of intermediate steps in which the Development function releases documentation to the Validation function (Internal Validation & Model Risk Management) at set

[370] Regulation (EU) 575/2013 (CRR), EBA Guidelines, EU Directive 2013/36 (CRD IV), Bank of Italy Circular 285/2013.

times, following which the Validation function produces intermediate reports, which include assessments relating both to regulatory compliance and to the validation controls established (in internal regulations). The Stage Gate approach has been introduced so that the Validation observations can already be factored into the new model, making it more robust.
The tasks of the Validation function also include providing assessments and advice on broader regulatory issues and interpretations, in response to credit risk-related requests from the Chief Risk Officer Area. Horizon scanning also covers some non-pillar 1 risks, namely: ESG, IFRS 9 and AI legislation.
The validations activities are conducted in line with the planning of the function's activities, defined consistently with the internal and external reference regulations and that presented to the competent Corporate Bodies. The relevant criteria that define the type of validation to implement (Standard or Full) and its frequency also include the Tier of the model and its uses, as attributed in the Model Risk Management Framework.
For Pillar 1 risks, the validation frequency is set, in any event, in line with the external reference regulations.
In order to ensure the periodic reporting on the results of the validation process continuously carried out to the Corporate Bodies and, regarding the internal Pillar 1 risk measurement systems, to the Supervisory Authorities, the Internal Validation Function prepares the Annual Validation Reports regarding the internal Pillar 1 systems and the internal systems used for management purposes. These reports summarise the results of the analyses conducted during the reporting year on the internal systems used at the Parent Company and the Group companies and the opinion formulated. In addition, the validation function prepares an update on the internal models in terms of performance and resolution of the issues raised by the function, which is submitted to the relevant corporate bodies on a half-yearly basis. In carrying out the validation process at Group level, the function interacts with the Supervisory Authorities, with the relevant Corporate Bodies and the functions responsible for the Level III controls required by the regulations. It adopts a decentralised approach for companies with local validation functions (the main Italian and international companies), coordinating and supervising the activities of those companies, and adopting a centralised approach for the others. The adopted methodologies were developed in implementation of the principles that inspire the Supervisory regulations for banks, EU directives and regulations, general guidelines of international committees and best practices in the area and take the form of documentary, quantitative and operating practice analyses.

Internal Auditing

Internal auditing activities are assigned to the Chief Audit Officer, who reports directly to the Board of Directors (and therefore it reports to the Chair), functionally reporting to the Management Control Committee, without prejudice to the appropriate links with the Managing Director and CEO. The Chief Audit Officer has no direct responsibility on the business.
This function has a structure and a control model which is organised according to the evolution of the organisational structure of Intesa Sanpaolo and of the Group.
The Chief Audit Officer - to whom the Internal Audit structures of the Italian and international companies of the Group functionally report - enjoys the necessary autonomy and independence from the operating structures; the Function has access to all the activities conducted at both the head office and the local structures. The Bank's audit function cannot be entrusted to external parties; where third parties are entrusted with relevant services for the operation of the internal control system (e.g. data processing), the Internal Audit Function must have access also to the activities of said parties.
The structure performs a level-III assessment of the completeness, adequacy, functionality and reliability of the components of the internal control system, the risk management process and the corporate processes, also with regard to their ability to identify and prevent errors and irregularities. This includes the verification of the Corporate Functions for risk control and regulatory compliance, also by participating in projects, in order to create added value and improve the effectiveness of the control processes and the governance of the organisation.
The Internal Audit Function is also responsible for assessing the effectiveness of the RAF definition process, the internal consistency of the overall framework and the compliance of business operations with the RAF. Within the RAF, the Chief Audit Officer prepares his/her contribution to the Integrated Risk Assessment conducted by the Corporate Control Functions and the Manager responsible for preparing the Company's financial reports.
The structure has personnel with the appropriate professional skills and expertise and operates in accordance with best practices and the international standards for the professional practice of internal auditing established by the Institute of Internal Auditors (IIA). The internal auditors conduct their activity in line with the principles laid down in the Internal Auditor's Code of Ethics, which is modelled on that proposed by the Institute of Internal Auditors. As required by the international standards, this Function undergoes an external Quality Assurance Review at least every five years. The latest review was launched at the end of 2024, three years after the previous review, in accordance with the frequency agreed with the Management Control Committee, and ended in the first quarter of 2025, confirming the highest assessment on the scale ("Generally Compliant").
The Internal Audit Function uses structured risk assessment methods to identify the most sensitive areas and the main new risk factors. Based on the findings of the risk assessment and the resulting priorities, as well as on any specific requests for further investigation made by the Top Management or the Corporate Bodies, it prepares and submits an Annual Action Plan for prior examination by the Management Control Committee and subsequent approval by the Board of Directors, on the basis of which it conducts its activities during the year. The Function also prepares a Multi-Year Plan.
The Plan may be revised during the year as a result of extraordinary events, also deriving from potential risk evolution, and of new requests from the Corporate Bodies.
The Chief Audit Officer ensures the proper performance of the internal whistleblowing management process.
The Chief Audit Officer supports corporate governance and ensures that Top Management, the Corporate Bodies and the competent Authorities (European Central Bank, Bank of Italy, Consob, etc.) promptly and systematically receive information on the status of the control system, the outcome of activities performed and the progress of any corrective measures. The Chief Audit Officer also contributes to the spreading of a culture of risk-awareness within the Bank and the Group.
During the year, auditing was performed directly for the Parent Company as well as for other subsidiaries under an outsourcing contract. For the other Group companies having their own internal audit departments, steering and practical coordination of the local departments was performed to guarantee control consistency and adequate attention to the different types of risks, also verifying the effectiveness and efficiency levels under both structural and operational profiles. Direct auditing and review activities, in the capacity of Parent Company, were also performed for those companies, as mentioned above.

Any weaknesses are systematically reported to the corporate functions concerned for prompt remedial action, with appropriate follow-up to monitor the effectiveness of said action.
Summary internal control system assessments from the audit activities have been periodically submitted to the Management Control Committee and the Board of Directors.
The results of audit activities with an adverse outcome or highlighting significant shortcomings were sent to the Board of Directors, the Managing Director and CEO and the Management Control Committee, as well as the Boards of Directors and Boards of Statutory Auditors of the subsidiaries concerned.
The main weaknesses identified and their evolution have been included in the Audit Tableau de Bord, with evidence of the ongoing mitigation actions, the parties responsible for implementing them and the relevant deadlines, to ensure systematic follow-up.
The Chief Audit Officer coordinates the “Integrated Internal Control System” session of the Group Control Coordination and Non-Financial Risks Committee; he/she supports the “231 Model” Surveillance Body in ensuring constant and independent verification of the regular performance of operations and processes, to prevent or detect anomalous and risky conduct or events, and in monitoring the compliance and effectiveness of the rules in the 231 Model; lastly, he/she participates in the Plenary, Business Plan and Sustainability (ESG), Group Risk Analysis and Supervisory Remediation Plans sessions of the Steering Committee and, upon specific request, also in the Investments session.
The Internal Audit Function ensured constant self-assessment of its efficacy and efficiency in line with the internal “quality assurance and improvement” plan drafted in accordance with the recommendations of the international standards for the professional practice of internal auditing. In this context, in 2025, the strategic audit evolution programme was completed, in line with the 2022-2025 Business Plan, and a new programme was launched for the period 2026-2029, in line with the new Business Plan.

Manager responsible for preparing the Company's financial reports

The supervision of the reliability of the Company financial reports and of the financial and sustainability reporting process is carried out by the Manager responsible for preparing the Company's financial reports, in compliance with the provisions of Article 154-bis of the Consolidated Law on Finance and the related implementing provisions.
This control is also ensured over the subsidiaries governed by the laws of non-EU countries, in accordance with the supervisory rules on management and accounting systems set by Article 15 of Consob Market Regulation 20249/2017 (as subsequently amended and supplemented).
In order to comply with the aforesaid provisions, the Manager responsible for preparing the Company's financial reports:

- performs a steering and coordination role in Group companies with regard to administrative and sustainability matters and in the monitoring of the internal control system functional to financial reporting and the Consolidated Sustainability Statement;
- supervises the implementation of legal requirements according to a shared approach at Group level, set out in specific internal regulations;
- issues the instructions for the correct and uniform application of the accounting standards, rules and measurement criteria, formalised as part of the Group Accounting Policies, which are subject to regular periodic updates;
- also issues the instructions for the preparation of the Consolidated Sustainability Statement;
- prepares appropriate administrative and accounting procedures for the preparation of the separate and the consolidated financial statements, and updates them to ensure compliance with the corporate disclosure requirements in force;
- verifies the adequacy of the administrative and accounting procedures and the effectiveness of the control system on the financial reporting process;
- verifies the appropriateness of the procedures functional to the preparation of the Consolidated Sustainability Statement, as well as the effectiveness of the control system necessary to ensure legally-required certifications;
- oversees the correspondence between the corporate reporting to the market with the accounting records; to this end, it has the right to promptly obtain any information deemed necessary for the performance of his/her duties and coordinates the exchange of information with the independent auditors;
- maintains a reporting and information transmission system with the Parent Company functions and the Group companies in order to ensure
  - the adequacy of balance sheet, income statement and financial positions and the descriptions of the main types of risks and uncertainties to which the Group may be exposed, monitoring the reliability of the acquisition of relevant data and information;
  - that the information needed to draw up the Consolidated Sustainability Statement is structured in accordance with CSRD reporting standards;
- takes part in the Group Financial Risks Committee and the Credit Risk and Pillar 2 Internal Models Committee, in which decisions regarding regulations and the adoption of models that impact financial reporting are adopted with his/her necessary approval;
- oversees the internal control system on the financial and sustainability reporting process:
  - expressing a preliminary opinion on the appropriateness of the changes to the existing organisational structure (new internal regulations) that have an impact on the appropriateness of the design of relevant procedures;
  - preparing audit plans aimed at ensuring the adequacy and effective application of administrative, accounting and sustainability procedures over the period, also by subsidiaries subject to the laws of non-European Union countries in accordance with Art. 15 of the Consob Market Regulation;
  - monitoring the projects whose implementation impacts the production and control procedures for disclosure purposes;
- acquires, in relation to the impact on the financial and sustainability reporting process and the reliability of the corporate information, the results of the activities carried out by the Corporate control functions and, in particular, by the Chief Audit Officer, who is responsible for the overall assurance for the internal control system in accordance with the "Integrated Internal Control System Regulation";
- acquires any recommendations formulated by the independent auditors at the end of the process of auditing the separate financial statements of the Parent Company and the consolidated financial statements, and the review of the Consolidated Sustainability Statement, as well as the related feedback in terms of measures to improve the procedures that have an impact on accounting data, monitoring their implementation and effectiveness;
- periodically reports on the scope and results of the assurance activities performed, to the Management Control Committee (in joint session with the Risks and Sustainability Committee) and the Board of Directors.

The Manager responsible for preparing the Company's financial reports contributes to supervising the independence of the independent auditors, in accordance with the procedures governed by specific Company Regulations, in line with the provisions of law (Legislative Decree 39/2010 amended by Legislative Decree 135/2016, which transposed Directive 2014/56/EU into the Italian legislation, and EU Regulation 537/2014). The above-mentioned Company Regulations assign to the Manager responsible for preparing the Company's financial reports the role of supervising, overseeing and monitoring the accounting audit engagements and other services entrusted by the Parent Company departments and the Group companies to independent auditors, their networks and their affiliates, in addition to the task of regularly informing the Management Control Committee in this regard.
The Manager responsible for preparing the Company's financial reports also ensures periodic reporting to the Board of Directors regarding the legal and regulatory obligations assigned to the Board for the monitoring of the adequacy of powers and means granted to the Manager responsible for preparing the Company's financial reports and of the effective observance of administrative, accounting and sustainability procedures. This reporting is discussed beforehand with the Management Control Committee and the other Board Committees, for the aspects under their responsibility.

Attestations as required by Art. 154-bis of the Consolidated Law on Finance

In relation to the supervisory and monitoring functions assigned, the Manager responsible for preparing the Company's financial reports:

– signs, jointly with the Managing Director and CEO, the attestations of the separate and consolidated financial statements required by the Article 154-bis, paragraph 5, of the Consolidated Law on Finance on the adequacy and actual application of administrative and accounting procedures, the compliance with the international accounting standards, the agreement of the financial statements with the supporting documentation, accounting books and records and their suitability to give a true and fair view of the financial and economic position of the Group, as well as a reliable analysis of the performance, operating result and the main risks to which the Group is exposed;
– certifies the correspondence of the documents and announcements disclosed to the market with the records, books and accounting entries, pursuant to Article 154-bis, paragraph 2, of the Consolidated Law on Finance;
– with reference to the Consolidated Sustainability Statement, pursuant to Article 154-bis(5-ter) of the Consolidated Law on Finance, together with the Managing Director and CEO certifies, in a special report attached to the Consolidated Sustainability Statement, included in the Report on Operations, that the Statement has been prepared in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council, of 26 June 2013, with the legislative decree adopted in implementation of Article 13 of Law no. 15 of 21 February 2024 and with the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

The oversight of financial reporting and the sustainability statement includes particular attention to the appropriateness of processes relating to the processing, assessment, recording and presentation of data and information contained in financial and sustainability disclosures to the public. Equal importance is given to the architectures of IT applications used to manage such information.

The organisational model for the supervision of the adequacy of the administration, accounting, financial and sustainability reporting procedures and the related internal control system is governed by the "Administrative, Financial and Sustainability Governance Guidelines" and the related implementing rules. In particular, the model prescribes assessment methodologies differentiated according to, on one hand, the risk of the processes deemed significant for financial and sustainability reporting purposes and, on the other, the need to realise synergies with the control activities carried out by the Internal Audit Department and the other Corporate Control Functions.

To this end, the procedures may be verified by means of analyses conducted according to specific methodologies by the structures that support the Manager responsible for preparing the Company's financial reports but also, if present, of the information collected by the Corporate Control Functions or by external entities such as Independent Auditors, Supervisory Authorities, etc.

For the assessment of the adequacy of the relevant processes for the financial and sustainability reporting, the Manager responsible for preparing the Company's financial reports uses the results of the controls carried out by the structures reporting directly to him, by the Internal Audit Department and the other Corporate control functions. To this end, in the Group Control Coordination and Non-Financial Risks Committee envisaged by the Integrated Internal Control System Regulation, the Corporate Control Functions and the Manager responsible for preparing the Company's financial reports share their annual verification plans and their findings. Any critical issues arising from inspections conducted by external entities (Independent Auditors, Supervisory Authorities) relating to financial and sustainability reporting risk are also gathered and assessed.

To conclude the preparation of the Company's financial reports (separate and consolidated financial statements) – according to the rules and criteria set out in Part A of the Notes to the Consolidated Sustainability Statement – in line with the principles set out in the General disclosures of the same document – and the supervisory activities conducted on the financial and sustainability reporting processes, in accordance with the guidelines described herein, the Managing Director and CEO and the Manager responsible for preparing the Company's financial reports sign the attestations required by Article 154 bis(5) and (5-ter), of the Consolidated Law on Finance.

These attestations are included in the reporting packages for the separate financial statements of the Parent Company and the consolidated financial statements, and are provided to the public according to the model established by the Consob Regulation.

Report pursuant to article 15 of Consob Market Regulation 20249/2017, as subsequently amended and supplemented

With regard to the protection of savings and the regulation of financial markets, the Italian Securities and Exchange Commission (Consob) has set certain conditions for the listing of companies controlling companies incorporated and subject to the laws of non-EU member states (Article 15 of the Market Regulation). As a result, Intesa Sanpaolo has set up an action plan to ensure the existence of the conditions required for subsidiaries that are of material significance, identified in compliance with the criteria established in the rules of the cited Article 15:

– ensuring the public disclosure of the accounting positions of subsidiaries prepared for the purposes of drafting the consolidated financial statements;
– obtaining details from its subsidiaries of their articles of association, membership and powers of the Corporate Bodies;
– determining that the subsidiaries: i) provide the independent auditor of the parent company with the information necessary to perform annual and interim audits of the parent company; and ii) enjoy access to an administrative and accounting system appropriate for regular reporting to the management and independent auditor of the parent company of the income statement, balance sheet and cash flow data necessary for the preparation of the consolidated financial statements.

On conclusion of the activities performed and the verifications conducted, compliance is confirmed with the conditions required by Article 15 of Consob Market Regulation 20249/2017 (as subsequently amended and supplemented).

On the basis of the information provided by the Manager responsible for preparing the Company's financial reports through the aforementioned "Report on the internal control system for the financial reporting process", previously submitted to the Management Control Committee, the Board of Directors certifies compliance with the conditions laid down in Article 15 of Consob Market Regulation no. 20249/2017 (as amended and supplemented).

The scope of risks

The risks identified, covered and incorporated within the Economic Capital are as follows:

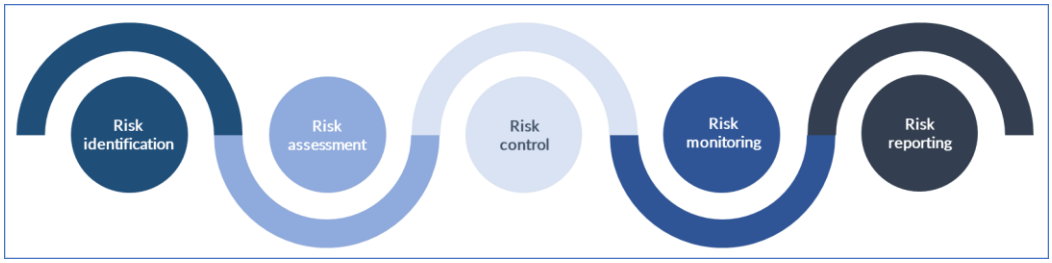
– credit and counterparty risk. This category also includes concentration risk, country risk and residual risks, both from securitisations and from uncertainty about credit recovery rates;
– market risk (trading book), including position, settlement and concentration risk on the trading book;
– financial risk of the banking book, mostly represented by interest rate and foreign exchange rate risk;
– operational risks;
– insurance risk;
– strategic risk;
– risk on real estate assets owned for whichever purpose;
– risk on equity investments not subject to line-by-line consolidation;
– risks relating to defined-benefit pension funds;
– model risk.

The hedging of risks, both those included and not included in the quantification of the Economic Capital, is based – according to the nature, frequency and potential impact of the risks – on a constant combination of mitigation/hedging actions, control procedures/processes and capital protection measures, including stress tests.

The Intesa Sanpaolo Group pays special attention to:

– managing the short-term and structural liquidity position by following specific policies and procedures to ensure full compliance with the limits set at the Group level and operating sub-areas in accordance with international regulations and the risk appetite approved at the Group level;
– managing reputational risk, which it pursues not only through organisational units with specific duties of promotion and protection of the company image, but also through dedicated processes for the prompt identification and assessment of events with potential reputational risk and the creation of specific reporting flows. In addition, starting in 2018, a specific add-on for economic capital has been introduced for operational risk, determined on the basis of operational losses, to strengthen the protection against possible reputational repercussions;
– managing environmental, social and governance (ESG) risks of the economic activities the Group is involved in, as well as those associated with the activities of its corporate customers. The integration of climate change risk into the overall risk management framework is particular important for ESG risks, in line with the regulatory guidance and international best practices;
– the evolution of the geopolitical context, in order to identify the main factors capable of generating impacts at international level. Given the high level of uncertainty and volatility characterising these factors, specific analyses are carried out to assess the risks connected to the geopolitical context and the possible repercussions on the Group's operations, also through stress tests designed to estimate the potential impacts on earnings and capital adequacy.
  In 2025, the process for assessing the risks connected to the geopolitical context, the results of which are periodically submitted to the Corporate Bodies, was strengthened to ensure greater alignment with the Group's main strategic processes and to extend the scope of analysis to profiles relating to cyber risk, anti-financial crime, and corporate and physical security.

Over the years, the Group has developed and implemented the necessary structural and operational improvements for integrated risk reporting that is as complete, accurate and regular as possible, in order to support senior management.



The risk monitoring processes have undergone a progressive strengthening of the Data & Reporting Governance controls, also in compliance with the applicable regulations ("Principles for effective risk data aggregation and risk reporting - BCBS239") and the "ECB Guide on effective Risk Data Aggregation and Risk Reporting", together with the related updating and development of the Data Governance model, as already described in this document (chapter Report on operations – Breakdown of consolidated results by business area and geographical area – Corporate Centre – Data, A.I. and Technology Officer Area).

Assessments of each single type of risk for the Group are integrated in a summary figure – the Economic Capital – defined as the maximum "unexpected" loss the Group may incur over a year, at a given confidence level. This is a key measure for determining the Group's financial structure and its risk tolerance, and guiding operations, ensuring the balance between risks assumed and shareholder return. It is estimated on the basis of the current situation and also at a forecast level, in line with the approved Risk Appetite Framework, based on the budget assumptions and the forecast macroeconomic scenario, and in relation to stress scenarios. The economic capital together with the risk capital calculated on a regulatory basis is a fundamental element in the assessment of the Group's capital adequacy within the ICAAP.

The assessment of capital is included in business reporting and is submitted quarterly to the Steering Committee, the Risks and Sustainability Committee and the Board of Directors, as part of the Tableau de Bord of Group Risks.

In addition to managing the risks described above, Intesa Sanpaolo pays close attention to the identification and monitoring of specific areas of emerging risk, which, in the medium term, could compromise the achievement of the Group's strategic objectives or significantly influence its financial position and results.

For the purposes described above, the Intesa Sanpaolo Group uses a wide-ranging set of tools and techniques for risk assessment and management, detailed in this Part E of the Notes to the consolidated financial statements, with regard to the types of risk indicated below and in accordance with the procedures established for the qualitative disclosure in Bank of Italy Circular 262. The table below shows the mapping of the risk disclosure using these methods with reference to the Financial Statements, together with the corresponding sections of the Pillar 3 disclosure, where relevant.

	FINANCIAL STATEMENTS		PILLAR 3
	Section/Chapter	**Paragraph**	**Section**
RISKS OF THE BANKING GROUP	PART E - SECTION 2		
- Credit risk	Chapter 1.1		Sections 6-7-8-9-10
- - *Securitisations*	Chapter 1.1	*Paragraph C*	Section 12
- Market risk	Chapter 1.2		Section 13
- - *Regulatory trading book*		*Paragraph 1.2.1*	
- - *Banking book*		*Paragraph 1.2.2*	
- Counterparty risk	Chapter 1.3		Section 11
- *Financial derivatives*		*Paragraph 1.3.1*	
- *Credit derivatives*		*Paragraph 1.3.1*	
- *Accounting hedges*		*Paragraph 1.3.2*	
- Liquidity risk	Chapter 1.4		Section 5
- Operational risks	Chapter 1.5		Section 14
RISKS OF INSURANCE COMPANIES	PART E - SECTION 3		
- Insurance Risks	Chapter 3.1		
- Financial Risks	Chapter 3.2		
RISKS OF OTHER COMPANIES	PART E - SECTION 4		

In addition to credit, market trading book, banking book financial, liquidity, operational and insurance risks, discussed in detail in the following paragraphs, the Group has identified and monitors the following other risks.

Strategic risk

The Intesa Sanpaolo Group defines current or prospective strategic risk as risk associated with a potential decline in profits or capital due to changes in the operating context, misguided Company decisions, inadequate implementation of decisions, or an inability to react sufficiently to changes in the competitive scenario.
The Group's response to strategic risk is represented first and foremost by policies and procedures that call for the most important decisions to be deferred to the Board of Directors, supported by a current and forward-looking assessment of risks and capital adequacy. The high degree to which strategic decisions are made at the central level, with the involvement of the top corporate governance bodies and the support of various corporate functions ensures that the component linked to any impacts of incorrect company decisions and low reactivity to changes in the competitive scenario are mitigated.
As regards the component more directly related to business risk, i.e. associated with the risk of a potential decline in profits as a result of the inadequate implementation of decisions, changes in the operating context and unexpected changes in the cost of refinancing, is handled not only by using systems for regulating Company management, but also via specific internal capital, determined according to an approach that simulates the volatility of margins, fees and commissions, operating costs and refinancing costs, anchored to the business mix of the Group and its Business Units.
Strategic risk is also assessed as part of stress tests based on a multiple-factor model that describes the relations between changes in the economic scenario and the business mix resulting from planning hypotheses, with analyses to assess the impacts on both interest income and margins from the performance of net fees and commissions.

Reputational risk

The Intesa Sanpaolo Group attaches great importance to reputational risk, namely the current and prospective risk of a decrease in profits or capital due to a negative perception of the Bank's image by customers, counterparties, shareholders, investors and Supervisory Authorities.
The Intesa Sanpaolo Group actively manages its image in the eyes of all stakeholders, by engaging all its Organisational Units and seeking robust, sustainable growth capable of creating value for all stakeholders. In addition, the Group seeks to minimise possible negative effects on its reputation through rigorous and comprehensive governance, proactive risk management and guidance and control of its activities.
The overall management of reputational risk is pursued primarily through:

– compliance with standards of ethics and conduct and self-governance policies. The Code of Ethics adopted by the Group contains the core values that Intesa Sanpaolo intends to commit itself to and sets out the voluntary principles of conduct for dealings with all stakeholders (customers, employees, suppliers, shareholders, the environment and, more generally, the community) with even broader objectives than those required by current legislation;
– the systematic, independent contribution by the company structures tasked with safeguarding the company reputation, which maintain relations with stakeholders, within their respective areas of responsibility;

– an integrated monitoring system for primary risks, to limit exposure to those risks, and to comply with the related limits contained in the Risk Appetite Framework;
– the Reputational Risk Management processes governed by the Chief Risk Officer Governance Area, which operate transversally across the corporate functions and in synergy with decision-making processes.

Those processes, which involve control, specialist and business functions, for various purposes, specifically include:

– the assessment of the initiatives of the Business Plan potentially exposed to reputational risk, to detect and verify the risk control already in place or, alternatively, the specific reputational risk control to be set up. The results of the assessments are submitted to the Group Control Coordination and Non-Financial Risks Committee, also in relation to possible mitigation actions to be implemented over time;
– the Reputational Risk Assessment, aimed at identifying the most significant reputational risk scenarios the Intesa Sanpaolo Group is exposed to, in order to determine their probability of occurrence and the Group's exposure to reputational risk. The analysis is carried out annually and gathers the opinion of top management regarding the potential impact of these scenarios on the Group's image, in order to identify appropriate communication strategies and specific mitigation actions, where necessary. To this end, contributions from external observers are also considered, in addition to the business information originating from the top managers and the Group Business Plan. For example, since 2022, an analysis has been carried out on the population with knowledge of finance and economics and on opinion leaders (e.g. economic/financial analysts and experts, academics, institutions);
– ESG & Reputational Risk Clearing, which is tasked with the ex-ante identification and assessment of the potential reputational risks associated with the most significant business operations and the selection of the Group's suppliers/partners;
– Reputational Risk Monitoring, aimed at analysing and verifying the evolution of the exposure to reputational risk on an ongoing basis, using specific national and international monitoring (e.g. Web & press monitoring), algorithms aimed at tracking the developments in the company's exposure to reputational risk, and the information provided by the reputational positioning analyses carried out periodically.

The reputational risk governance model also includes an integrated compliance risk management system, as it considers compliance with the regulations and fairness in business to be fundamental to the conduct of banking operations, which by nature are founded on trust.

The Group is implementing various initiatives to assess reputational risk across the different business processes, strengthen the governance related to this risk, and maintain continuous monitoring aimed at improving early identification of events with possible reputational impact and ensuring their timely management. The measures adopted by the Group include the establishment of a dedicated Reputational Steering session within the Group Control Coordination and Non-Financial Risks Committee (CCRINF) in order to swiftly examine situations that could affect the Group's reputation and determine the actions to be taken in relation to potential reputational impacts and their mitigation.

In performing the investment service for customers, the Group is exposed to potential risks linked to the activity, such as reputational, legal, strategic and operational risks.

To minimise the above risk dimensions, also in compliance with the applicable regulations, the Group has long had appropriate processes in place to capture their key aspects. These include the following processes in particular:

– Product Governance Risk Clearing, which is assigned the objective of pre-emptive assessment, together with the competent control functions and the business owner, of the suitability of the products being sold/distributed to customers, analysing all potential risk factors;
– Risk Profile Annual Review of the adequacy of the portfolio risk "limit" associated with each customer segment identified;
– Investment Adequacy Framework, covering the subscription of financial investments and the execution of transactions in unlisted derivatives.

The sale of financial products is therefore governed by specific preventive risk assessment from the standpoint of both the Bank (the set of risks, such as credit, financial and operational risks, that directly affect the owner) and the customer (portfolio risk, complexity and frequency of transactions, concentration on issuers or on foreign currency, consistency with objectives and risk tolerance profiles, and knowledge and awareness of the products and services offered), in order to correctly identify and mitigate any potential source of risk inherent to the activity.

ESG (Environmental, Social and Governance) risks and climate change risk

Sustainability, a term referring to the ability to avoid harming the environment and communities, in order to support a medium/long-term economic, social and environmental balance, is a factor of significant, increasing importance for society as a whole. The management of ESG issues therefore requires considering not only the impacts of the related risks on the Bank's organisation, but also the potential impact on stakeholders and the risks that the Bank exposes its stakeholders and the environment to through its operations. The Intesa Sanpaolo Group is aware of the importance of fair, responsible allocation of resources and the influence that a banking group can have in terms of sustainability in both the short and long term and pays particular attention to managing ESG risks, both regarding its operations and relating to the activities of its corporate customers and the sectors considered sensitive, i.e. with a significant ESG risk profile, which are also discussed in depth in the Consolidated Sustainability Statement included in the Report on operations, where further details are provided.

ESG risks are therefore included in the overall risk management framework as they represent potential negative impacts that an organisation or activity may have on the environment, people and communities, including risks related to the corporate conduct (corporate governance), earnings, reputational profile and credit quality with possible legal consequences. Within the ESG risks, particular importance is given to climate risk, namely the financial risk arising from exposure to the physical and transition risks (as defined further below) related to climate change. The risks and opportunities related to climate change are identified and analysed in a coordinated manner by the various corporate functions, in order to include them in the ordinary processes of risk identification, assessment and monitoring, in the Group's credit strategies and commercial offering.

The Group is therefore committed to incorporating the impact of climate-related aspects into its strategic decision-making processes, in order to fully integrate them into the risk management framework with the aim of maintaining a limited risk profile. This includes the monitoring and management of ESG risks, including risks arising from climate change (credit, operational,

reputational, market and liquidity risks) and the implementation of ethical and environmental standards in the internal processes, products and services offered to customers, and selection of counterparties and suppliers.
The Risk Appetite Framework (RAF), which represents the general framework used for the management of enterprise risk, includes a specific section dedicated to ESG, climate change and reputational risks. This section includes qualitative and quantitative information. Specifically, with regard to ESG & Climate risks, the Group recognises the strategic importance of ESG factors and the urgent need to curb climate change.

Climate change risks can be divided into physical and transitional risks.

Physical risks represent the negative financial impact from climate change, including more frequent extreme weather events and gradual climate change, as well as environmental degradation, i.e. air, water and soil pollution, water stress, biodiversity loss, and deforestation. These risks – which can usually arise in both the short/medium and long term – can be broken down into acute and chronic risks:
– **acute physical risks,** which refer to specific events that have the potential to create significant physical damage (e.g. flooding of rivers and oceans, tropical storms). These events are occurring more frequently, on both a regional and global basis;
– **chronic physical risks,** which involve a series of physical impacts of considerably longer duration than those posed by acute risks. They are identifiable as processes of change rather than single events. In most cases, the impacts are localised (e.g., drought) but chronic risks are likely to become more significant in the long term.

Transition risks are the negative financial impacts that an institution may incur, directly or indirectly, as a result of the process of adjustment to a low-carbon and more environmentally sustainable economy, arising from:
– **public policy and legal risks**: this category includes policies that attempt to limit actions that contribute to the negative effects of climate change or political actions that seek to promote adaptation to climate change and the legal risk arising from the inability of organisations to mitigate/adapt to climate change;
– **technological developments**: these include innovations that support the transition to a low-carbon and energy-efficient economic system;
– **consumer preferences**: changes in the demand and supply of certain goods, products and services that are more sustainable;
– **reputational risk:** arising from changes in customer or community perceptions of an organisation's contribution to the transition to a low-carbon economy.

The likelihood and magnitude of the impact of climate-related risk factors may be influenced by a number of additional variables such as the industry sector concerned, business model, and geographical location of the company or asset. The interactions and interdependencies between transmission channels and climate-related risk factors may result in an amplification of the related impacts. The above also applies in relation to the broader category and the transmission channels of environmental risks, where the main sources of risk for Intesa Sanpaolo's counterparties and, consequently, for the Group arise from:
– impacts on nature: changes in the state (quality and quantity) of natural capital caused by an organisation's activities that may result in changes in nature's ability to provide social and economic functions. Impacts can be positive or negative;
– dependence on nature: ecosystem services that an organisation relies on for the functioning of its business processes (e.g. the ability of ecosystems to regulate water flow).

The integration of the above-mentioned climate/environmental risks, and of ESG risks more generally, into the risk management framework consists of:
– a materiality analysis (Climate/ESG Materiality Assessment);
– establishment of specific controls within the Risk Appetite Framework (RAF);
– execution of a Climate Scenario Analysis;
– monitoring of ESG risks divided according to the different risk categories (e.g. credit, market, liquidity), with a particular focus, within the environmental risks, on climate change risk.

Climate/ESG Materiality Assessment
As further detailed in the Chapter ESRS 2 – General Information of the Consolidated Sustainability Statement included in the Report on operations, the Climate/ESG Materiality Assessment is aimed at identifying business sectors, geographic areas and portfolios (e.g. corporates, households and sovereigns) with higher vulnerability to climate change and ESG risks based on qualitative and quantitative approaches, in order to prioritise the risk controls to be implemented. The results of the Materiality Assessment provide the basis for:
– updating the mapping of the various climate and ESG risk factors, their transmission channels and the impact on other risk categories;
– setting the limits and Key Risk Indicators (KRIs) within the Risk Appetite Framework;
– calibrating and performing stress tests on specific climate and ESG risk factors;
– guiding the sectoral credit policies and strategies (ESG Sectoral Color Coding) and establishing specific actions aimed at mitigating ESG risks.
The materiality analysis described above contributes to determining the financial materiality for the Environmental component, which, together with the impact materiality, forms the basis for the Consolidated Sustainability Statement included in the Report on operations in the 2025 Consolidated financial statements.

Risk Appetite Framework (RAF)

The RAF integrates and translates what has been defined in terms of strategic guidelines into specific controls and, through the ESG/Climate Materiality Assessment and the ESG Sectoral Color Coding, on an annual basis, limits, key risk indicators (KRIs) and specific actions aimed at containing the ESG risks, specifically with regard to the sectors with the highest exposure to those risks, are identified. This also includes specific actions related, for example, to the Group's strategic choices, such as subscribing to the Net-Zero targets. Specifically, intermediate sector targets for 2030 have been set within the Business Plan for the most emission-intensive sectors, subject to a transition plan for mitigating the potential future risk, in accordance with the recommendations of the Net-Zero Banking Alliance (NZBA). The Oil & Gas, Power Generation, Automotive and Coal Mining sectors, which were already covered by targets, have now been joined by Iron & Steel, Commercial Real Estate, Agriculture – Primary Farming, Aluminium, Cement and Residential Real Estate, in line with the commitments made in joining the NZBA and with the validation by the Science Based Target initiative (SBTi), which was requested in 2024 and obtained in January 2025.

The ESG Climate Change and Reputational Risk section of the Group RAF includes:

– specific limits in relation to the exposure to the Coal Mining sector (due to be phased out in 2025) and the Oil & Gas sector;
– a synthetic risk metric based on financed emissions on the corporate portfolio in order to improve management of the transition risk for the Power Generation, Oil & Gas, Automotive, Iron & Steel, Commercial Real Estate, Aluminium, Cement and Agriculture – Primary Farming sectors;
– specific warning thresholds for new disbursements in the Residential Real Estate (RRE) portfolio. In particular for the lower energy performance classes (EPC certifications) and in areas with very high physical risk, in order to improve the quality of the residential properties taken as collateral, and consequently reduce the transition and physical risk associated with mortgage loans;
– an early warning threshold in relation to the Group's exposure has also been introduced for sectors characterised by significant issues, especially with regard to the social dimension, in line with the ESG sectoral strategy of associated credit disincentives;
– a warning threshold in relation to the exposure to debt securities of government issuers in the Group's banking book that, based on certain internal ESG-related criteria, are defined as "high risk".

The 2025 RAF introduces greenwashing risk as an emerging risk, recognising that sustainability-related statements, declarations, actions or communications that do not clearly and fairly reflect the underlying sustainability profile of the entity, a financial product, or financial services may represent a reputational risk factor for the Group by undermining stakeholder trust and exposing it to potential sanctions and legal action. Monitoring is in place to identify any legal disputes related to greenwashing. Within the credit control process, the Group has also decided to regulate its operations in the nuclear energy sector through ESG & Reputational Risk Clearing.

The RAF also identifies the main limitations and exclusions to lending to sectors/counterparties most exposed to ESG risks, which are then integrated into the self-regulatory policy and/or company processes. Specifically, Intesa Sanpaolo has issued the "Rules for lending operations in the coal sector", the "Rules on Oil & Gas sector" and the "Guidelines governing transactions with subjects active in the armaments sector", aimed at establishing general and specific criteria for limiting and excluding lending operations to counterparties in those sectors. Additionally, through the "Rules on Biodiversity and Nature", the Group governs its operations with regard to risks linked to biodiversity and ecosystems, setting specific limitation and exclusion criteria, refining risk assessment procedures, and encouraging sustainable financing aimed at maintaining or improving biodiversity and ecosystem services.

The policies and actions described above are covered in detail in the Environmental section of the Consolidated Sustainability Statement included in the Report on operations in the 2025 Consolidated financial statements.

Climate Scenario Analysis

Scenario analysis is a key element in integrating the risks and opportunities associated with climate change into the business strategies, also considering the medium- to long-term implications. The Climate Scenario Analysis is used, within the more general framework of the materiality assessment, to explore potential portfolio vulnerabilities, particularly in the credit portfolio, as part of the regulatory stress testing exercises or the Internal Capital Assessment Adequacy Process (ICAAP) and the Internal Liquidity Assessment Adequacy Process (ILAAP).
In conducting the ICAAP process, Intesa Sanpaolo adopts an approach that incorporates specific solutions designed to verify the impact of transition and physical risk on the Non Financial Corporate (NFC) portfolio and the real estate-backed portfolio. With regard to transition risk, the impact is assessed by means of shocks applied to the balance sheets of the individual counterparties and to the energy efficiency level of the residential and commercial immovable property provided as collateral. The estimate of the impact of physical risk, on the other hand, is determined based on the geolocation of collateral real estate or NFC customer production sites, according to the different types of weather events. Within the ILAAP, particular attention is paid to analysing the impact of climate and environmental risk factors that could compromise the liquidity positions from a forward-looking perspective over medium-term horizons (1-4 years).

Where required, the Group takes part in the stress tests conducted by the European Banking Authority (EBA).

The results of the impact assessments conducted so far (materiality assessment and climate scenario analysis) have shown that the Group is not exposed to a material extent to climate risks in the short term. Over the medium- to long-term horizon, exposure to these risks could intensify in a limited and concentrated manner in areas already subject to control and monitoring. In particular, with regard to the transition risk on the most emission-intensive sectors of the banking book (Oil & Gas, Power Generation and Automotive), intermediate sector targets to 2030 have been set in the Business Plan – aligned to the Net-Zero target by 2050 – subject to a transition plan in accordance with the NZBA guidance, to mitigate the potential future risk. The monitoring has been progressively extended to other sectors, in line with the commitments made upon joining the NZBA and with the request for validation by the SBTi.

Monitoring of ESG/climate risks in the different risk categories

Intesa Sanpaolo's risk management framework involves the integration of climate and environmental risk factors with the different risk categories impacted. This decision takes into account the fact that the impact of climate and environmental risks may be direct, for example due to lower earnings of companies or the reduction in value of assets, or indirect, for example due to legal actions (legal risk) or reputational damage that arises when the public, counterparties of the institution and/or investors associate the institution with adverse environmental effects (reputational risk).

With regard to **credit risk**, the qualitative component of the models currently validated and used by the Group considers various ESG and Climate-related aspects and elements. For the largest companies (Large Corporates), a specific module has been incorporated into the model, which considers the ESG quantitative data. For the Corporate segment (companies or groups with a turnover between 5 and 500 million euro) on the other hand, a simplified ESG risk assessment is applied, based on several questions in the qualitative questionnaire. In addition, a specific module has been incorporated into the Corporate and Retail SME models to take account of counterparty exposure to physical risks arising from catastrophic events (for example, damage to production facilities and/or warehouses). This module uses statistical analysis, based on historical and publicly available evidence of catastrophic events at geographic area level, to identify potential increases in the Probability of Default. More specifically, for domestic counterparties, this module provides an assessment of the risk of damage related to natural disasters (floods, fires, earthquakes and landslides) to which a company is potentially exposed depending on the region (and/or municipality) where it operates and/or mainly conducts its business. Finally, the assessment of the exposure to risks arising from climate change and natural disasters, as well as local environmental protection for larger-scale initiatives, has recently been incorporated into the Real Estate and Project Finance rating models.

In managing **market risk**, Intesa Sanpaolo also assesses the effects of climate and environmental factors on its current positions exposed to market risk. Specifically, the Group:

– analyses and monitors market prices and liquidity of financial instruments to identify possible evidence of climate and environmental risk factors;
– analyses the impact of climate and environmental risks on the fair value measurement of financial instruments, focusing in particular on the main asset classes, payoffs and positions explicitly linked to climate and environmental (C&E) risk factors, as well as the future investments proposed by the business structures;
– classifies current positions subject to market risk using the ESG indicators available internally (e.g. ESG Sectoral Assessment and ESG Sectoral Color Coding) and externally (e.g. economic-industrial business sectors, ESG score/rating), also through recognised providers, in order to identify specific risk controls, also considering the materiality of the exposures. These controls consist of the establishment of market risk limits on the investment activity (e.g. allocation of ceiling limits). In principle, the indicators used for assessing the ESG risks associated with the investment activity enable the establishment of negative/positive screening criteria and strategies, taking into account the specific characteristics of the different asset classes concerned, such as instruments issued by corporate counterparties and instruments issued by government or supranational counterparties.

Within the market risk management model, the assessment of exposure to ESG risks also involves stress tests to investigate the sensitivity of the portfolios to ESG risk factors and estimate the impact that those factors, particularly climate and environmental risks, may have on the actual risk level of the exposures.

As part of the **counterparty risk** management, a monthly analysis is performed to assess the concentration of the exposure in the OTC derivatives and SFTs portfolio, measured with Potential Future Exposure and Current Exposure metrics, using the internally available ESG indicators (such as ESG Sectoral Assessment and ESG Sectoral Color Coding). Specifically, quarterly monitoring is performed for the Tableau de Bord on the exposures to counterparty risk in the coal mining and oil & gas sectors, and in sectors characterised by significant problem issues, especially with regard to social aspects.

With regard to **liquidity risk**, significant climate and environmental risks may lead to an increase in net cash outflows or erode available liquidity reserves. Even though, according to the general consensus in the banking industry, the link between C&E risks and liquidity is mainly indirect and potentially more long term in nature, it is considered important not to underestimate these risks and their potential transmission, and to duly incorporate an assessment of their potential effects on the Group's current and future liquidity position.

To this end, after the prior identification of climate and environmental risk factors that could adversely affect the Group's liquidity positions, specific analyses and monitoring of exposures are carried out to assess the materiality of the risk factors identified, maintaining a close connection with the qualitative assessments adopted:

– by the Bank at sector and sub-sector level (e.g. ESG Sectoral Assessment) for credit risk purposes;
– for the valuation of securities for market risk purposes.

In the assessment of the various scenarios, including stress scenarios, on the timing of inflows and outflows and the quantitative and qualitative adequacy of liquidity buffers, particular attention is also devoted to analysing the impact of climate and environmental risk factors that could compromise the liquidity positions on a forward-looking basis. These analyses are incorporated into the annual report on the Internal Liquidity Adequacy Assessment Process (ILAAP) without highlighting material absorptions of Group liquidity reserves.

In managing **operational risks**, Intesa Sanpaolo also considers the possible adverse impact of weather and environmental events on its real estate, business continuity and litigation risk. Specifically, the Group:
– within the loss data collection for operational events, identifies those related to climate and environmental risks, through specific event types;
– during the Operational and ICT & Security Risk Assessment process, uses specific risk scenarios dedicated to climate and environmental risks to assess possible losses resulting from property damage, possible disruptions to its operations and potential legal liabilities;
– to protect business continuity, assesses the impact of the physical risks associated with IT centres and sites (including outsourced IT services), identifying alternative locations for disaster recovery.

Within the same process, specific scenarios are also used to assess the impacts on the Group of extreme weather events affecting:
– essential suppliers, compromising outsourced critical services;
– the Group's owner-occupied properties and other assets.

In relation to climate/environmental litigation risk, Intesa Sanpaolo has set up monitoring of market disputes (domestic and international), refined its litigation monitoring process and provided specific training for the staff involved.
Operating losses identified in connection with climate-related and environmental risks:
– are included in the Non-FINREP contribution required for the calculation of the regulatory capital requirement under the Standardised Approach (SA), at both individual and consolidated level;
– feed into the loss time series used for the calculation of Pillar 2 economic capital using the internal AMA model;
– are included in the operational risk reporting periodically submitted to the Group Control Coordination and Non-Financial Risks Committee.

In managing **reputational risk**, the Group makes prior assessments of the potential ESG and reputational risks associated with the Group's business operations and supplier/partner selection through the ESG & Reputational Risk Clearing process.
With regard to the corporate credit granting process in particular, it is aimed at making a prior assessment of the potential ESG and reputational risks associated with credit transactions involving counterparties operating in sectors and geographies sensitive to ESG and/or reputational risks. As already mentioned in the paragraph on Reputational Risk above, the ESG & Reputational risk clearing process involves escalation mechanisms differentiated according to the ESG/reputational risk class assigned to the transaction/counterparty. The Group also monitors its web and press reputation by integrating specific assessments of events related to environmental risks/climate change (e.g. events resulting from protests or adverse campaigns arising from the Bank's lending activities) and greenwashing. Lastly, specific scenarios relating to ESG and climate issues are included in the annual reputational risk assessment by the top management.

In relation to the **risks associated with the investment service for customers**, the Group has set up a series of centralised controls aimed, on one hand, at monitoring the sustainability risk implicit in the size of the ESG score provided by a specialist info provider at instrument and portfolio level and, on the other hand, at ensuring that sufficient stress is given to Sustainable Development Goal (SDG) factors in the analyses carried out within the Product Governance process for the assets under administration issued by the Parent Company and distributed through the captive networks.

With regard to **direct environmental risks** and considering the increasing strategic importance of CO_2 emissions, in 2024 Intesa Sanpaolo updated its decarbonisation plan, known as the Own Emissions Plan, which confirmed the target of Carbon Neutrality by 2030 for Scope 1 and Scope 2 emissions. Own emissions will be reduced through energy efficiency measuresand increased use of energy from renewable sources. Residual emissions will be neutralised through the purchase of carbon credits.
Intesa Sanpaolo is also committed to analysing and containing possible risks on its properties, as well as taking swift action to deal with any environmental emergencies that may arise. To this end, in line with the provisions of the Business Plan, a specific tool is used that identifies the degree of exposure of Intesa Sanpaolo's real estate assets to the main geographical and climate change risks. This platform geolocalises each individual asset and calculates the exposure index for each risk, based on data from the main national and international certified sources, such as SwissRE, Copernicus, INGV, ISPRA, and the Department of Civil Protection, etc. With regard to hydrogeological risk (floods and landslides), which also relates to climate change and the potential occurrence of crisis scenarios in Italy which could have repercussions on Intesa Sanpaolo's properties, a series of corporate structures will be set up. Specifically, the platform supports the management of emergency events, generating alerts based on weather reports and other sources, and providing detailed information on events, including affected assets and related communications. In the event of a weather alert, the CEM (Critical Events Management) is activated to monitor the situation and coordinate the necessary actions, in continuous liaison with the head office and local structures. In serious emergency situations, the Emergency Management Operational Centre of the Business Continuity Management Department is also engaged.
The platform is continually updated and now considers a variety of physical and geographical risks, such as earthquakes, floods, landslides, droughts, and wildfires. The platform also assesses risks such as lightning, storm surges, tsunamis and other coastal phenomena, using digital terrain models and data from selected sources. The platform also enables the identification of the Group's buildings located in areas included in the World Database on Protected Areas (WDPA), the most comprehensive global database on terrestrial and marine protected areas, including Natura 2000 sites.

The potential impacts, the related time horizon (short, medium and long-term) and the actions identified for each observed potential risk, which are updated annually, for both indirect and direct risks, are set out in the tables below.

INDIRECT RISKS – Potential impacts

Potential risks	Risk type	Timeframe			Business Area							Potential Impacts
		ST(2028)	MT(2031)	LT(2050)	BdT	C&IB	PB	IBD	AM	INS	CC	
Transition Risks												
Climate change risk: *misalignment of economic actors with actions aimed at reducing their CO2 emissions*	**Credit Risk**	⟲	⟲	⟲	○	○	○	○				**Non-financial corporation counterparties:** Introduction of climate policies and technological shifts can weaken companies' competitiveness, affecting their financial statements through reduction of earnings, alteration of business costs, need for investment, impacting their creditworthiness and solvency. **Households and retail customers:** Non-compliance with regulations or shifts in preferences towards low-energy housing may affect collateral value or generate stranded assets. Additionally, higher energy prices or policies promoting green mobility could impact families' costs and spending power and, in turn, their creditworthiness and solvency.
	Market risk	⟲	⟲	⟲		○	○	○	○	○	○	**Non-financial corporation issuers:** Introduction of climate policies and technological shifts can weaken companies' competitiveness, affecting their financial statements through reduction of earnings, alteration of business costs, need for investment, impacting their creditworthiness, solvency and the value of their financial instruments traded on financial markets. **Sovereign issuers:** Impact on real economy and financial system, coupled with social adjustments to support transition, may lead to higher costs for high-emitting nations, which, in turn could impact their creditworthiness, solvency and the value of the financial instruments traded on the financial markets. **Asset Management / Insurance:** Consequences of climate change on companies in the portfolio with consequent possible reduction in the value of assets under management or investments.
via: • *Policy and Legal Risks* • *Technology Risks* • *Consumer preferences* • *Reputational risks*	**Operational risk**	⟲			○	○	○	○	○	○		**Conduct:** Losses arising from an unintentional or negligent failure to meet a professional obligation to specific clients (including fiduciary and suitability requirements), or from the nature or design of a product or commitments (e.g. greenwashing). **Litigation:** Litigation and liability costs associated with climate-sensitive investments and businesses.
	Liquidity risk	⟲	⟲		○	○	○	○			○	**Credit exposures:** Impact of transition risks on customer exposures could affect the liquidity position of the Group (e.g. undrawn committed lines/default of counterparties). **Funding:** Transition risk factors may affect customers and therefore their ability to fund the Group. **Market exposures:** Transition impacts on issuers and their financial instruments might reduce the ability for the Bank to trade or liquidate assets computed in the liquidity reserves.
	Reputational risk	⟲	⟲	⟲	○	○	○	○	○	○		Deterioration of the Group's image due to unmet expectations in climate and environmental risk management or business adaptation • Negative perception from stakeholders and in particular from ESG investors due to nil or inadequate management of such risks • Possible exclusion from sustainability (ESG) indices or a worse ESG position or lower ESG rating

Timeframe: The timeframe indicated below considers the analyses carried out by the Banking Group in various climate-related risks assessment exercises. The analyses are not exhaustive regarding the potential impacts that the Bank could face in the short, medium, and long term, and are not indicative of the materiality of the impacts assessed as detailed in the Risk Management chapter.
Business Areas: BdT = Banca dei Territori; C&IB = Corporate & Investment Bank; PB = private banking; IBD = International Banks Division; AM = Asset Management; INS = Insurance; CC = Corporate Center. The areas where it is possible to observe climate-related risk impacts are here identified, based on the business relevance for those areas. This does not exclude the possibility that other areas, not indicated, may also have potential impacts. The details of the analyses conducted on the different business areas are set out in the Risk Management section.

INDIRECT RISKS – Actions and Opportunities

Potential risks	Risk type	Timeframe			Business Area							Implemented actions	Opportunities
		ST(2028)	MT(2031)	LT(2050)	BdT	C&IB	PB	IBD	AM	INS	CC		
Transition Risks													
Climate change risk: *misalignment of economic actors with actions aimed at reducing their CO2 emissions*	**Credit Risk**	⟲	⟲	⟲	○	○	○	○				• Assessment of ESG and climate risks in the lending portfolio through Materiality assessment, scenario analysis, Business Environment Scan exercise and transactions risk assessment process • Definition of targets related to the physical intensity of financed counterparties belonging to specific sectors • Limits and monitoring thresholds set within the Risk Appetite Framework • Identification of environmental (e.g. net zero loans and medium-to-long-term financing with SACE green guarantees), social, governance, and other sustainable products and transactions • Implementation of self-regulation policies (credit portfolio)	• Sustainable finance: increase customer support to enforce energy transition by offering products and dedicated financial solutions (e.g. Green and Circular Economy products)
	Market risk	⟲	⟲	⟲		○	○	○	○	○	○	• Assessment of ESG and climate risks in the investment portfolio through Materiality assessment, scenario analysis and Business Environment Scan analysis • Limits and early warning setting within the Risk Appetite Framework • Identification of green, social and sustainable investments • Implementation of self-regulation policies (investment portfolio) • Rebalancing of portfolios	• Increasing and expanding the range of investment products and services
via: • *Policy and Legal Risks* • *Technology Risks* • *Consumer preferences* • *Reputational risks*	**Operational risk**	⟲			○	○	○	○	○	○		• Assessment of ESG and climate risks through Materiality assessment, scenario analysis, Business Environment Scan analysis, and operational losses monitoring	
	Liquidity risk	⟲	⟲		○	○	○	○			○	• Assessment of ESG and climate risks through Materiality assessment and scenario analysis	• Increase of Green and ESG bond own issuances • Increase of third counterparties' Green and ESG bond in own portfolio
	Reputational risk	⟲	⟲	⟲	○	○	○	○	○	○		• Assessment of ESG and climate risks through transactions risk assessment process • Participation in international working groups on climate change issues (e.g. UNEP FI, Net Zero initiatives) • Stakeholder engagement initiatives • Market perception and ESG rating positioning monitoring	• Improvement of the Group's perception/image for both investors and clients
	Cross-risk actions											• Active monitoring of ESG evolving regulations and implementation/integration of internal policies • Active collaboration with policy makers to highlight the need for stable and clear environmental and ESG regulations • Inclusion of climate risk in risk management systems	

Timeframe: The timeframe indicated below considers the analyses carried out by the Banking Group in various climate-related risks assessment exercises. The analyses are not exhaustive regarding the potential impacts that the Bank could face in the short, medium, and long term, and are not indicative of the materiality of the impacts assessed as detailed in the Risk Management chapter.
Business Areas: BdT = Banca dei Territori; C&IB = Corporate & Investment Bank; PB = private banking; IBD = International Banks Division; AM = Asset Management; INS = Insurance; CC = Corporate Center. The areas where it is possible to observe climate-related risk impacts are here identified, based on the business relevance for those areas. This does not exclude the possibility that other areas, not indicated, may also have potential impacts. The details of the analyses conducted on the different business areas are set out in the Risk Management section.

INDIRECT RISKS – Potential impacts

Potential risks	Risk type (1)	Timeframe ST(2028)	MT(2031)	LT(2050)	Business Area BdT	C&IB	PB	IBD	AM	INS(2)	CC	Potential Impacts
Physical Risks – Climate change risk: *Risks related to the physical impacts of climate change* (Chronic, Acute)	Credit Risk	◷	◷	◷	○	○	○	○				**Non-financial corporations counterparties:** Severe weather events, both acute and chronic, may impact creditworthiness and solvency of corporate counterparties, with impacts varying based on business sector and location, potentially affecting their profitability. **Households and retail costumers:** Acute or chronic climate events can damage or destroy properties, decreasing their value and increasing credit risk.
	Market risk	◷	◷	◷		○	○	○	○	○	○	**Non-financial corporations issuers:** Severe weather events, both acute and chronic, may impact creditworthiness and solvency of corporate counterparties, with impacts varying based on business sector and location, potentially affecting their profitability and the value of their financial instruments traded on the financial markets. **Sovereign issuers:** Severe weather events, both acute and chronic may impact the real economy and financial systems, coupled with social adjustments to support businesses and population in case of physical climate events. This could lead to higher costs for nations more prone to physical risks, which, in turn, could impact their creditworthiness, solvency and the value of the financial instruments traded on the financial markets. **Asset Management / Insurance:** Possible acute and chronic extreme weather events may cause losses on securities in managed portfolios.
	Liquidity risk	◷	◷		○	○	○	○			○	**Credit exposures:** The impact of physical risk on customer exposures could affect the liquidity position of the Group (e.g. undrawn committed lines/default of counterparties). **Funding:** Physical risk factors may affect customers and therefore their ability to fund the Group. **Market exposures:** Physical impacts on issuers and underlying assets of their financial instruments might reduce the ability, for the Bank, to trade or liquidate assets computed in the liquidity reserves.

(1) In the physical risk section, no potential impacts and actions directly related to reputational risk have been considered. Furthermore, in the context of Physical Risks, the Operational Risk can be considered a "Direct Risk", see next table.
(2) Catastrophic events may adversely affect the profitability of the insurance business with consequent increases in claims and may exceed insurance companies' estimates of expected risks and losses leading to higher insurance premiums with a consequent possible decrease in demand for insurance.

Timeframe: The timeframe indicated below considers the analyses carried out by the Banking Group in various climate-related risks assessment exercises. The analyses are not exhaustive regarding the potential impacts that the Bank could face in the short, medium, and long term, and are not indicative of the materiality of the impacts assessed as detailed in the Risk Management chapter.

Business Areas: BdT = Banca dei Territori; C&IB = Corporate & Investment Bank; PB = private banking; IBD = International Banks Division; AM = Asset Management; INS = Insurance; CC = Corporate Center. The areas where it is possible to observe climate-related risk impacts are here identified, based on the business relevance for those areas. This does not exclude the possibility that other areas, not indicated, may also have potential impacts. The details of the analyses conducted on the different business areas are set out in the Risk Management section.

INDIRECT RISKS – Actions and Opportunities

Potential risks	Risk type	Timeframe ST(2028)	MT(2031)	LT(2050)	Business Area BdT	C&IB	PB	IBD	AM	INS(2)	CC	Implemented actions	Opportunities
Physical Risks – Climate change risk: *Risks related to the physical impacts of climate change* (Chronic, Acute)	Credit Risk	◷	◷	◷	○	○	○	○				• Assessment of ESG and climate risks in the lending portfolio through Materialty assessment, scenario analysis, Business Environment Scan exercise and transactions risk assessment process • Limits and early warning setting within the Risk Appetite Framework	• Reinforced customer relations. New subsidised loans intended to restore damaged structures • Financing of resilient buildings and infrastructures to adapt to climate change • Insurance policies covering physical risks
	Market risk	◷	◷	◷		○	○	○	○	○	○	• Assessment of ESG and climate risks in the investment portfolio through Materiality assessment, scenario analysis and Business Environment Scan analysis	
	Liquidity risk	◷	◷		○	○	○	○			○	• Assessment of ESG and climate risks through Materiality assessment and scenario analysis	

(1) In the physical risk section, no potential impacts and actions directly related to reputational risk have been considered. Furthermore, in the context of Physical Risks, the Operational Risk can be considered a "Direct Risk", see next table.
(2) Insurance: the potential impacts, defined in note 2 of the previous table, open up opportunities for the development of specific policies for extreme catastrophic events.

Timeframe: The timeframe indicated below considers the analyses carried out by the Banking Group in various climate-related risks assessment exercises. The analyses are not exhaustive regarding the potential impacts that the Bank could face in the short, medium, and long term, and are not indicative of the materiality of the impacts assessed as detailed in the Risk Management chapter.

Business Areas: BdT = Banca dei Territori; C&IB = Corporate & Investment Bank; PB = private banking; IBD = International Banks Division; AM = Asset Management; INS = Insurance; CC = Corporate Center. The areas where it is possible to observe climate-related risk impacts are here identified, based on the business relevance for those areas. This does not exclude the possibility that other areas, not indicated, may also have potential impacts. The details of the analyses conducted on the different business areas are set out in the Risk Management section.

DIRECT RISKS – Potential impacts and Actions

Potential risks	Risk type (1)	Timeframe ST(2028)	MT(2031)	LT(2050)	Potential Impacts	Implemented actions
Transition Risks – *Changes in environmental regulations* ■ *Introduction of new greenhouse gas emission limits or new related reporting systems* ■ *Increase in cost of raw materials* *Changes in environmental regulations and standards that the Group voluntarily adheres to (ISO standards)*	**Operational & Other risks**	◷	◷		• Possible sanctions in case of failure to comply with new Regulations • Costs for upgrading heating and air conditioning systems and for new monitoring tools • Cost related to potential taxes connected with greenhouse gas emissions • Increase in costs of energy supply • Costs of changing the certification processes in case of changes in the standards	• Constant and precautionary monitoring of possible changes to national and European regulations • Participation in dedicated training courses or workshops • Own emissions plan implementation and monitoring • Energy efficiency actions • Increase in the use of renewable energy sources • Preventive actions to replace old systems with next-generation ones with a low environmental impact, as well as consumption monitoring systems during the renovation of branches and buildings • Continuous and precautionary monitoring of possible changes in standards
Physical Risks – Acute – *Extreme weather events (floods, landslides, avalanche, mudslides, heavy rainfalls, hailstorms, heavy snowfall, whirlwinds, hurricanes, cyclones, coastal storms)*	**Operational & Other risks**	◷	◷	◷	• Business continuity: extreme weather events may cause material damage and interruptions to the Group's operations • Own assets: extreme weather events may cause material damage to the assets of the Group	• Precautionary assessment of the hydrogeological risks for buildings • Adoption of a business continuity plan and measures to prevent/mitigate/manage physical damage to the bank's structures • Creation of a platform to identify the risk level of any Intesa Sanpaolo Group real estate asset • Insurance to cover the risks and their impacts
Physical Risks – Chronic – *Increase or reduction in average temperatures, sea level rise, water stress and drought*		◷	◷	◷	• Increase in energy supply costs connected with greater heat or electricity consumption • Power-outage risk due to increased energy demand • Sea level rise with consequent impact on buildings close to the sea • Potential fires due to temperature increase in areas close to the Bank's buildings	• Energy efficiency actions • Increase in the use of renewable energy sources • Preventive actions to replace old systems with next-generation systems with a low environmental impact, as well as consumption monitoring systems during the renovation of branches buildings • Preventive assessment of the risk of sea level rise • Adoption of a business continuity plan and actions to mitigate/manage possible power outage • ISO 14001, ISO 50001 and ISO 45001 certifications taking into account climate change related risks • Creation of a platform to identify the risk level of any Intesa Sanpaolo real estate asset

(1) Within direct risks, both operational and other types of risks not directly related to the prudential framework of the Group have been considered.

Additional information on the management of environmental and climate risks is provided in the Consolidated Sustainability Statement – which, starting from the 2024 Annual Report, is included in a specific section of the Report on operations in the Consolidated financial statements – and in the Basel 3 Pillar 3 Disclosure and the Climate Report[371].

Risk on owned real-estate assets

The risk on owned real-estate assets may be defined as risk associated with the possibility of suffering financial losses due to an unfavourable change in the value of such assets and it is thus included in the category of banking book financial risks. Real-estate management is highly centralised and represents an investment that is largely intended for use in company operations. The degree of risk in the portfolio of owned properties is represented by calculating an economic capital based on the volatility observed in the past in real estate price indexes (mainly Italian, the type of exposure prevalent in the Group's real-estate portfolio), with a degree of granularity of geographical location and intended use appropriate to the real estate portfolio at the reporting date.

Risk on equity investments not subject to line-by-line consolidation

The risk in the equity investment portfolio is related to the possibility of incurring economic losses due to the adverse changes in values of investments not subject to line-by-line consolidation.
The scope considered consists of the equity instruments held in financial and non-financial companies, and includes financial investment instruments, commitments to purchase, and derivatives with underlying equity instruments and equity funds.
The model used to estimate the Economic Capital is based on a PD/LGD approach similar to the credit risk portfolio model and it is used for the stand-alone equity investment portfolio, supplemented with market valuations for the listed portion. The applicable LGD is prudentially set at 90%, whereas the model's other parameters are the same as those used in the portfolio model for credit risk.

Risk related to defined-benefit pension funds

The risk related to defined-benefit pension funds is attributable to the possibility of having to increase the reserve that the Parent Company Intesa Sanpaolo maintains to guarantee the benefits of those pension funds, based on an adverse change in the value of the assets and/or liabilities of the pension funds concerned. This risk is fully considered within the assessment of capital adequacy, measured and controlled from the point of view of Economic Capital, and, with an econometric model based on the main macroeconomic variables, also in the baseline and stress forward-looking scenarios.

Model risk

Model risk is defined as the risk of incurring a loss, foregone revenue, reputational damage or any other type of harm that an institution may suffer as a result of decisions that could be principally based on the output of internal models, due to errors in the development, implementation or use of such models. In continuity with previous years, within the 2025 ICAAP Report, the Internal Validation & Controls Coordination Area updated the model risk assessment (expressed synthetically through a score) of the methodologies supporting the measurement of Pillar 1 and Pillar 2 risks that also contribute to the calculation of the Economic Capital and provided the Enterprise Risk Management structure with the parameters for the quantification of the model risk economic capital.

Emerging risks

The strengthening of the overall risk management system also involves the identification, understanding and monitoring of so-called emerging risks, i.e. risks characterised by components that are little-known or rapidly evolving, potentially significant in the medium term to the Group's financial position and business model, even though their effects are not easy to assess and cannot yet be fully integrated into the most consolidated risk management frameworks.
The identification of these types of risks derives primarily from the continuous analysis of the external environment and the main findings gathered by the risk management function as part of identifying risk, continuously performed within the Group to maintain ongoing alignment with the changing internal and external context and to guarantee the adequacy of the controls and limits implemented to safeguard long term viability. In addition to being performed as part of the identification and assessment processes, that activity also involves comparison with peers and with market best practices, as well as with the Bank's other control/business functions.

Any emerging risks for which a model for calculating economic capital has not been developed are assessed, in any event, using expert-based approaches or using proxies or simplified calculation models in order to guarantee a prudent assessment of the economic capital absorbed.

Another significant aspect is linked to the increasing digitalisation of technological infrastructure and the commercial offering, as well as increased process automation, as a result of the introduction of robotics and artificial intelligence. These innovations have altered the structure of certain risks which, although not new in themselves, have undergone changes in their levels of criticality, potentially exposing the Group to:

– IT and Cyber risks, in relation to: (i) the increasing dependence on ICT systems and the resulting increase in the number of users of virtual channels and interconnected devices; (ii) exponential growth in the quantity of data managed, which must be high quality and protected; (iii) greater use of IT services offered by third parties (Open Banking, Fintech, Cloud systems); (iv) low production costs of new attack techniques with the presence of organisations with specific skills and experience; and (v) repercussions of cyber attacks on Italian financial institutions, also linked to the growing geopolitical instability, in addition to the ongoing Russian-Ukrainian crisis and the potential opening of new conflict scenarios;
– risks connected with the digital transformation process linked to the increase in competition triggered by digitalisation in the financial sector (e.g. entry of new competitors) and the vulnerability that still marks the current operating context (e.g. costs of the digitalisation process, obsolescence of legacy systems and fragmentation of the regulatory framework);

[371] Previously the TCFD Report.

- third party risk, in relation to greater dependence on systems and services offered by third parties (both regarding the outsourcing of company processes and the growing dependence on providers of cloud services, also in relation to cloud sovereignty, and IT services in general);
- risks associated with Artificial Intelligence (AI) and Generative Artificial Intelligence (GEN AI) supporting the execution of business processes, through the development of use cases involving the application of techniques differentiated according to the objectives and corporate functions involved. The potential impact of risks associated with these applications is assessed in relation to: (i) possible implications in terms of regulatory compliance (Artificial Intelligence Act); (ii) ethical and responsible use of AI solutions; and (iii) governance of AI solutions and assessment of the associated technological, reputational and model risks. The management of AI solutions and the assessment/mitigation of risks associated with them is ensured through the updating and supplementation of the company regulations, and the development and initial application of methodologies for preliminary risk assessment. Specific statements and metrics have been confirmed in the Group's Risk Appetite, ensuring their monitoring over time.

In addition, in view of the rapidly evolving world of digital assets, and cryptocurrencies in particular, the Group has adopted specific internal regulations, in addition to launching a series of projects and participating in consortium initiatives aimed at studying, testing, and gradually implementing use cases regarding the provision of services related to digital assets and the application of the associated technologies (Blockchain and Distributed Ledger Technology - DLT). The analyses carried out on the risks associated with the sector indicate that transactions in digital assets and the use of new technologies have the same risk categories as traditional financial products, but with greater relevance due to the following factors:
- vulnerabilities of the new technologies not fully explored;
- technological standards being defined;
- a continuously evolving regulatory/legal framework;
- presence of non-regulated entities and/or entities based in non-EU/OECD jurisdictions.

The risks associated with the ongoing initiatives are assessed in the ordinary clearing processes and are monitored under the Risk Appetite Framework (overview of initiatives under study and implementation, limitations in terms of customer segments potentially affected by the initiatives, very strict operating limits, and risks identified within the ongoing projects). In particular, the RAF establishes specific limits relating to risks connected with cryptocurrencies, including associated financial instruments (ETF, Futures, Spot Transactions, Options).

The continuous evolution of the operational environment, both internal and external, requires the continuous updating of the current analysis frameworks (e.g. portfolio development policies, internal control system, payment systems, cybersecurity safeguards, anti-money laundering and counter-terrorism financing safeguards, and accounting, tax and prudential treatment of the assets) in order to take into account the new/altered operations and maximise the effectiveness of the controls for the identification and mitigation of the Group's potential exposure. In this regard, the work is continuing in the project initiatives aimed at optimising the Group's resilience profile.

Within emerging risks, political uncertainties at global level continue to be highly significant, and unfortunately appear to be growing, making critical scenarios once considered highly unlikely increasingly probable. Geopolitical disputes have effects that reach beyond the borders of the nations involved, creating macroeconomic risks by obstructing international trade in goods and services and the flow of capital, resulting in economic fragmentation, considerable overall instability and greater fragility among market participants.

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In its risk management, the Group pays close attention to the geopolitical context, the issues arising from it and their developments, in order to identify the main phenomena that could have an impact on an international scale and could significantly alter its risk profile and influence its operations. The Group therefore conducts specific scenario and stress analyses to assess the potential impacts in terms of profitability and capital adequacy.
Although the geopolitical situation is constantly evolving, leaving aside extreme scenarios of escalation that could lead to outcomes that are difficult to assess, these analyses confirm the Group's ability to ensure compliance – also through the implementation of specific actions – with the regulatory requirements and the stricter limits set internally.

With specific regard to the Russian-Ukrainian conflict, details concerning credit risk are provided in the paragraph "The valuation impacts for the Intesa Sanpaolo Group of the military conflict between Russia and Ukraine", and there continue to be no significant impacts on the metrics for measuring the counterparty risks and market risks in the Group's trading book and banking book. Likewise, in light of the low exposure to Russian and Ukrainian counterparties, there were no significant impacts on the Group's consolidated liquidity position. With regard to foreign exchange risk, there continue to be no significant impacts due to the low exposures. With regard to operational risks, the additional costs incurred for business continuity and any losses resulting from physical damage to premises/branches located in the conflict zone form part of the monitoring of the exposure to the risk, including that relating to the Risk Appetite Framework. Lastly, with regard to the monitoring of insurance risks, the focus remains on exposures to countries involved in the conflict, which are still entirely residual in nature compared to the total assets.

Absorption of Economic Capital by type of risk and Business Unit

The following is an illustration of the breakdown of the Group's Economic Capital by type of risk and Business Unit.

The absorption of Economic Capital by Business Unit reflects the distribution of the Group's various activities and the specialisations of the business areas.

The majority of risk is concentrated in the "IMI Corporate & Investment Banking" Business Unit (30.0% of the total Economic Capital): this is attributable to the type of customers served (Corporate and Financial Institutions) and Capital Market activities. This Business Unit is assigned a significant share of credit risk and trading book risk. The "Banca dei Territori" Business Unit (18.5% of the total Economic Capital) is a significant source of absorption of Internal Capital, in line with its role as core business of the Group, serving Retail, Private and Small/Middle Corporate customers. It is assigned a sizeable portion of credit risk and operational risk. Most of the insurance risk is assigned to the "Insurance" Business Unit (16.7% of the total Economic Capital). The "International Banks" Business Unit is assigned 8.1% of the total risk, predominantly credit risk. In addition to credit risk, the "Corporate Centre" is attributed with the risks typical of this Business Unit, namely those resulting from investments, the risks pertaining to the exposures in default, the Banking Book interest rate and exchange rate risk, as well as the risks arising from the management of the Parent Company's FVOCI portfolio (21.3% of the overall Economic Capital).

Absorption of Economic Capital by the "Private Banking" and "Asset Management" Business Units is marginal (4.1% and 1.3%, respectively) due to the nature of their business, which is predominantly aimed at asset management activities.

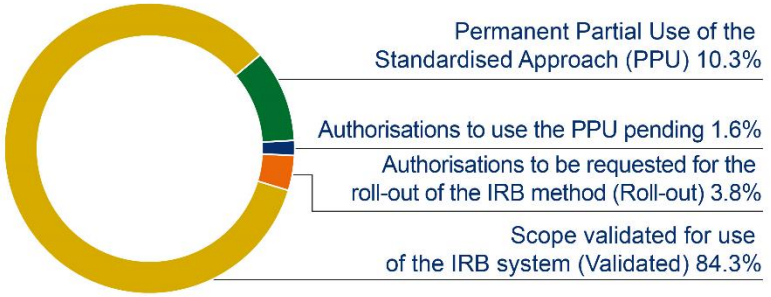
Basel Regulation and the Internal Project

To ensure ongoing compliance with the Basel Committee agreements, from 2024 the Intesa Sanpaolo Group has implemented appropriate project initiatives to improve the measurement systems and the related risk management systems.

With regard to credit risk, the ECB authorisations to use for regulatory purposes the new Large Corporate rating model (February 2025), the Corporate, Retail SME and PD Exclusive Non-recourse Factoring models (August 2025) and the Institutions models (November 2025) were received.
The periodic updating and alignment to changes in regulations governing IRB systems and their extension continue in accordance with the Regulatory Roadmap agreed with the Supervisory Authorities.

With regard to the progress of the roll-out plan for the internal models for credit risk (IRB regulatory Roadmap), the share of exposures authorised for the IRB system and those permanently treated using the standardised approach was influenced, compared to 31 December 2024, by the restructuring of the portfolio, partly linked to the introduction of the new Basel 4 regulatory framework and the implementation of the authorisations related to the Corporate, Retail SME, Banks, and Public Entities model changes, as well as the measures for the PPU treatment of various portfolios already submitted and awaiting response from the Supervisory Authority.

Roll-out plan for internal models for credit risk(*) (**)



(*) Percentages calculated based on the Full Standard RWA balances at 31.12.2025. Portfolios are considered covered by IRB models when the supervisory authority has authorised the use of an internal model for at least one risk parameter.
(**) The following are excluded from the Portfolio:
- risk-weighted exposures to counterparties classified as Sovereign;
- equity exposures;
- exposures to Group companies which, based on the classification in the Group Map at the reporting date of the monitoring, do not fall into one of the following categories: Banking Companies, Other Financial Intermediaries, companies dealing in 'Cards and Payment Systems'.

With regard to counterparty risk, the Banking Group performs the measurement and monitoring through its own internal model (IMM), developed and maintained in accordance with the applicable regulations (CRR – Capital Requirement Regulation). For reporting purposes, the Parent Company is authorised to use the internal models approach for the capital requirement related to counterparty risk both for derivatives and for SFTs (Securities Financing Transactions, i.e. repos/reverse repos and securities lending/borrowing). This authorisation was obtained for derivatives from the first quarter of 2014, and for SFTs from the report as at 31 December 2016. For management purposes, the advanced risk measurement approaches have been implemented for the OTC derivatives and SFTs of the banking group companies. At Parent Company level, the annual simulation exercises (fire drills) of the Default Management Process specific to Counterparty Credit Risk (CCR), required by the CCR Targeted Review, were carried out for the first time, in addition to updating the internal regulations. A summary quarterly report on the Active Management notifications has been set up, which is also shared with Audit and Compliance. The Active Management framework has been refined, both in terms of process and technology.
There were no changes in the scope of application compared to 31 December 2024.

The Basel 4 reform project resulted in a major overhaul of the prudential framework, which came into effect on 1 January 2025, with the first regulatory reporting on the reporting date of March 2025[372]. In accordance with the principles and guidelines formalised by the Basel Committee, in 2021 the European Commission put forward a legislative proposal (the CRR3/CRD6 package) to implement the standards set by the new Basel 4 framework, taking into account the specific features of the European banking sector and harmonising the supervisory regimes adopted by the Member States. The new regulatory framework sought to strengthen confidence in the representativeness of capital ratios and the resilience of the banking sector, also through measures aimed at reducing the volatility of the results of the internal models used by institutions. The final text was issued on 6 December 2023, following the completion of the negotiation in the trilogue between the European Commission, Parliament and Council, with the subsequent publication of Regulation (EU) 2024/1623 in the Official Journal of the European Union in June 2024.

The Intesa Sanpaolo Group has set up the compliance initiatives for the adoption of the regulatory provisions through a dedicated project (Basel 4 Project) in which procedural implementations have been developed for the management of the information required by the measurement system, with adaptations aligned to the governance processes. Intesa Sanpaolo has completed a multi-year work programme based on a specific project roadmap, launched in the second half of 2023, starting with an assessment to identify the main changes introduced by the regulatory provisions and develop coherent methodological, organisational and architectural approaches to adopt going forward. The activities continued steadily during 2024, including through systematic dialogue with the regulators, industry associations, recognised ECAIs (External Credit Assessment Institutions), peers and consultancy firms, to organically introduce the required system of rules and measurement criteria, with modifications to IT architectures, application procedures, organisational processes, internal regulations and contractual relationships with customers. The work programme, which is constantly monitored with regular updates submitted to the Project Management, Corporate Control Functions and Management Bodies, was completed in line with the scheduled timelines.

The new framework has reconfigured the calculation of the capital requirements for all the main types of risk (credit risk, market and counterparty risk, operational risk), as well as the regulatory reporting processes, also introducing the concept of "Output Floor", common to all the risk types, which involves applying a minimum threshold to RWA values calculated using internal models, to limit the potential deviation of these values to 72.5% (fully phased in) of the RWAs that would be determined using the standard approach.

With regard to the provisions concerning the determination of capital requirements for credit risk, the main amendments introduced involved the:
- discontinuation of the option of using the:
  - Advanced Internal Ratings-Based (AIRB) approach for the Large Corporate, Financial Institutions and Other Financial Sector Entities portfolios;
  - Internal Ratings-Based (IRB) approach for the Equity portfolio, which must now be treated according to the Standardised Approach (SA-CR);
- revision of the measurement criteria based on IRB approaches, with the:
  - introduction/recalibration of floors for some internally estimated risk parameters (i.e. PD, LGD, Credit Conversion Factor – CCF);
  - elimination of the multiplier factor (of 1.06) in the formula used to determine the risk weight;
- revision of the measurement criteria based on the standardised approach with substantial modifications applied to the:
  - risk weights assignment to Real Estate portfolio exposures;
  - introduction of sub-categories for Retail and Specialised Lending portfolios;
  - determination of CCF values for off-balance sheet exposures;
  - valuation process for exposures with unrated Banks;
  - insurance sector included within the scope of the Danish Compromise with recognition of a more favourable prudential treatment;
  - validation, through systematic independent internal due diligence, of the ratings provided externally by ECAIs, for Corporate, Institutions and Covered Bond portfolios.

With regard to the regulatory developments, the work programme involved modifications to the:
- input systems and application procedures, for the recovery of certain information attributes relating to the stock of existing exposures, in order to adapt the information necessary for valuations to the regulatory requirements;
- calculation systems for determining the capital requirements, to incorporate the new computation criteria, adapting the approaches, calculation algorithms and risk weights allocation criteria;
- reporting systems, to reflect the changes in the reporting templates and methods of consolidation.

With regard to counterparty risk, from the first quarter of 2025, the entry into force of the "Basel 4" regulation gave rise to a review of the credit weightings of counterparties in derivatives and SFTs. Additionally, the necessary developments for implementing the new CVA risk framework established by the regulation have been completed.

For operational risks, the new CRR3/Basel 4 regulatory framework altered the methodology for calculating the prudential capital requirement, eliminating the possibility of using internal models (the AMA, used up to 31 December 2024) and introducing a new, single standardised calculation method, referred to as the Standardised Approach (SA).

[372] Transitional provisions have also been established with a phased introduction over time through to 2033.

Under the new rules, inspired by more prudent criteria and aimed at ensuring greater uniformity among European financial institutions, the capital requirement is determined in line with the size of business activities (Business Indicator – BI), primarily using FINREP items (averaged over the previous three years), weighted with regulatory coefficients by band. The methodology also requires the inclusion of the duly reconciled accounting impact of the operational losses over the three-year period.

The annual Internal Capital Adequacy Assessment Process (ICAAP) Report, based on the extensive use of internal risk measurement methodologies, internal capital and total capital available, was approved and sent to the ECB in March 2025.

As part of its adoption of Basel 3, the Group publishes information concerning capital adequacy, exposure to risks and the general characteristics of the systems aimed at identifying, monitoring and managing them in a document entitled “Basel 3 - Pillar 3” or simply “Pillar 3”.
The document is published on the website (www.group.intesasanpaolo.com) each quarter.

With regard to this disclosure, in line with the new regulatory framework described above introduced by CRR3, Commission Implementing Regulation (EU) 2024/3172 was published on 31 December 2024 in the Official Journal of the European Union, laying down implementing technical standards for the application of the provisions regarding the disclosure of information referred to in Titles II and III of Part Eight of the CRR, and repealing Regulation (EU) 2021/637. This implementing regulation, applicable from 1 January 2025, amends certain disclosure templates to reflect the regulatory changes introduced by CRR3.

SECTION 1 – RISKS OF THE CONSOLIDATED BOOK

In this Section, information is provided regarding the companies included in the consolidated book.

QUANTITATIVE INFORMATION

A. CREDIT QUALITY

For the purposes of quantitative information about credit quality, the term "credit exposures" is understood to exclude equities and quotas of UCI.

A.1. Performing and non-performing credit exposures: amounts, adjustments, changes and economic breakdown

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

(millions of euro)

Portfolios/quality	Bad loans	Unlikely to pay	Non-performing past due exposures	Performing past due exposures	Other performing exposures	TOTAL
1. Financial assets measured at amortised cost	788	3,427	322	2,934	525,239	532,710
2. Financial assets measured at fair value through other comprehensive income	-	5	-	77	162,008	162,090
3. Financial assets designated at fair value	-	-	-	-	4	4
4. Other financial assets mandatorily measured at fair value	1	13	-	38	13,594	13,646
5. Non-current financial assets held for sale	242	258	-	-	-	500
Total 31.12.2025	**1,031**	**3,703**	**322**	**3,049**	**700,845**	**708,950**
Total 31.12.2024	**1,154**	**3,514**	**362**	**3,383**	**669,981**	**678,394**

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

(of which: Banking Group)

(millions of euro)

Portfolios/quality	Bad loans	Unlikely to pay	Non-performing past due exposures	Performing past due exposures	Other performing exposures	TOTAL
1. Financial assets measured at amortised cost	788	3,412	322	2,934	519,243	526,699
2. Financial assets measured at fair value through other comprehensive income	-	5	-	-	88,601	88,606
3. Financial assets designated at fair value	-	-	-	-	4	4
4. Other financial assets mandatorily measured at fair value	1	13	-	38	1,067	1,119
5. Non-current financial assets held for sale	242	258	-	-	-	500
Total 31.12.2025	**1,031**	**3,688**	**322**	**2,972**	**608,915**	**616,928**
Total 31.12.2024	**1,154**	**3,499**	**362**	**3,307**	**579,672**	**587,994**

A.1.1. Breakdown of financial assets by portfolio classification and credit quality (book values)
(of which: Insurance companies)

(millions of euro)

Portfolios/quality	Bad loans	Unlikely to pay	Non-performing past due exposures	Performing past due exposures	Other performing exposures	TOTAL
1. Financial assets measured at amortised cost	-	-	-	-	9	9
2. Financial assets measured at fair value through other comprehensive income	-	-	-	77	73,407	73,484
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets mandatorily measured at fair value	-	-	-	-	12,527	12,527
5. Non-current financial assets held for sale	-	-	-	-	-	-
Total 31.12.2025	**-**	**-**	**-**	**77**	**85,943**	**86,020**
Total 31.12.2024	**-**	**-**	**-**	**76**	**82,630**	**82,706**

A.1.1. Breakdown of financial assets by portfolio classification and credit quality (book values)
(of which: Other companies)

(millions of euro)

Portfolios/quality	Bad loans	Unlikely to pay	Non-performing past due exposures	Performing past due exposures	Other performing exposures	TOTAL
1. Financial assets measured at amortised cost	-	15	-	-	5,987	6,002
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets mandatorily measured at fair value	-	-	-	-	-	-
5. Non-current financial assets held for sale	-	-	-	-	-	-
Total 31.12.2025	**-**	**15**	**-**	**-**	**5,987**	**6,002**
Total 31.12.2024	**-**	**15**	**-**	**-**	**7,679**	**7,694**

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

(millions of euro)

Portfolios/quality	NON-PERFORMING ASSETS				PERFORMING ASSETS			TOTAL (net exposure)
	Gross exposure	Total adjustments	Net exposure	Total partial write-offs	Gross exposure	Total adjustments	Net exposure	
1. Financial assets measured at amortised cost	8,360	-3,823	4,537	1,066	530,217	-2,044	528,173	532,710
2. Financial assets measured at fair value through other comprehensive income	45	-40	5	-	162,199	-114	162,085	162,090
3. Financial assets designated at fair value	-	-	-	-	X	X	4	4
4. Other financial assets mandatorily measured at fair value	49	-35	14	-	X	X	13,632	13,646
5. Non-current financial assets held for sale	1,890	-1,390	500	370	-	-	-	500
Total 31.12.2025	**10,344**	**-5,288**	**5,056**	**1,436**	**692,416**	**-2,158**	**703,894**	**708,950**
Total 31.12.2024	**10,237**	**-5,207**	**5,030**	**1,683**	**665,124**	**-2,422**	**673,364**	**678,394**

(millions of euro)

Portfolios/quality	ASSETS OF EVIDENTLY LOW CREDIT QUALITY		OTHER ASSETS
	Cumulative capital losses	Net exposure	Net exposure
1. Financial assets held for trading	-18	21	40,301
2. Hedging derivatives	-	-	7,372
Total 31.12.2025	**-18**	**21**	**47,673**
Total 31.12.2024	**-15**	**19**	**39,859**

A.1.2. Breakdown of financial assets by portfolio classification and credit quality (gross and net values)
(of which: Banking Group)

(millions of euro)

Portfolios/quality	NON-PERFORMING ASSETS				PERFORMING ASSETS			TOTAL (net exposure)
	Gross exposure	Total adjustments	Net exposure	Total partial write-offs	Gross exposure	Total adjustments	Net exposure	
1. Financial assets measured at amortised cost	8,345	-3,823	4,522	1,066	524,211	-2,034	522,177	526,699
2. Financial assets measured at fair value through other comprehensive income	45	-40	5	-	88,652	-51	88,601	88,606
3. Financial assets designated at fair value	-	-	-	-	X	X	4	4
4. Other financial assets mandatorily measured at fair value	49	-35	14	-	X	X	1,105	1,119
5. Non-current financial assets held for sale	1,890	-1,390	500	370	-	-	-	500
Total 31.12.2025	**10,329**	**-5,288**	**5,041**	**1,436**	**612,863**	**-2,085**	**611,887**	**616,928**
Total 31.12.2024	**10,222**	**-5,207**	**5,015**	**1,683**	**584,389**	**-2,337**	**582,979**	**587,994**

(millions of euro)

Portfolios/quality	ASSETS OF EVIDENTLY LOW CREDIT QUALITY		OTHER ASSETS
	Cumulative capital losses	Net exposure	Net exposure
1. Financial assets held for trading	-18	21	40,269
2. Hedging derivatives	-	-	7,342
Total 31.12.2025	**-18**	**21**	**47,611**
Total 31.12.2024	**-15**	**19**	**39,785**

A.1.2. Breakdown of financial assets by portfolio classification and credit quality (gross and net values)
(of which: Insurance companies)

(millions of euro)

Portfolios/quality	NON-PERFORMING ASSETS				PERFORMING ASSETS			TOTAL (net exposure)
	Gross exposure	Total adjustments	Net exposure	Total partial write-offs	Gross exposure	Total adjustments	Net exposure	
1. Financial assets measured at amortised cost	-	-	-	-	9	-	9	9
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	73,547	-63	73,484	73,484
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily measured at fair value	-	-	-	-	X	X	12,527	12,527
5. Non-current financial assets held for sale	-	-	-	-	-	-	-	-
Total 31.12.2025	**-**	**-**	**-**	**-**	**73,556**	**-63**	**86,020**	**86,020**
Total 31.12.2024	**-**	**-**	**-**	**-**	**73,046**	**-75**	**82,706**	**82,706**

(millions of euro)

Portfolios/quality	ASSETS OF EVIDENTLY LOW CREDIT QUALITY		OTHER ASSETS
	Cumulative capital losses	Net exposure	Net exposure
1. Financial assets held for trading	-	-	32
2. Hedging derivatives	-	-	30
Total 31.12.2025	**-**	**-**	**62**
Total 31.12.2024	**-**	**-**	**74**

A.1.2. Breakdown of financial assets by portfolio classification and credit quality (gross and net values)
(of which: Other companies)

(millions of euro)

Portfolios/quality	NON-PERFORMING ASSETS				PERFORMING ASSETS			TOTAL (net exposure)
	Gross exposure	Total adjustments	Net exposure	Total partial write-offs	Gross exposure	Total adjustments	Net exposure	
1. Financial assets measured at amortised cost	15	-	15	-	5,997	-10	5,987	6,002
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily measured at fair value	-	-	-	-	X	X	-	-
5. Non-current financial assets held for sale	-	-	-	-	-	-	-	-
Total 31.12.2025	**15**	**-**	**15**	**-**	**5,997**	**-10**	**5,987**	**6,002**
Total 31.12.2024	**15**	**-**	**15**	**-**	**7,689**	**-10**	**7,679**	**7,694**

(millions of euro)

Portfolios/quality	ASSETS OF EVIDENTLY LOW CREDIT QUALITY		OTHER ASSETS
	Cumulative capital losses	Net exposure	Net exposure
1. Financial assets held for trading	-	-	-
2. Hedging derivatives	-	-	-
Total 31.12.2025	**-**	**-**	**-**
Total 31.12.2024	**-**	**-**	**-**

B. INFORMATION ON STRUCTURED ENTITIES (OTHER THAN SECURITISATION VEHICLES)

In line with IFRS 12, the Group considers structured entities to be entities set up to achieve a narrow, well-defined objective, defined through contractual arrangements which often impose strict restrictions on decision-making powers of the entity's management bodies. In that sense, structured entities are designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, as they refer to administrative tasks, while the relevant operating activities are directed by means of contractual arrangements agreed on at the time of structuring the structured entity, which are difficult to modify. The characteristics of a structured entity include:

– limited activities;
– a narrow and well-defined objective;
– insufficient equity to permit the structured entity to finance its activities without subordinated financial support.

The structured entities through which the Group operates are mainly Special Purpose Entities (SPEs) and UCIs.

B.1. Consolidated structured entities

There are no structured entities consolidated in the accounts other than securitisation companies that fall within the scope of the Intesa Sanpaolo Banking Group.

B.2. Structured entities not consolidated in the accounts

B.2.1. Prudential consolidation of structured entities

There are no structured entities consolidated for prudential purposes other than securitisation companies that fall within the scope of the Intesa Sanpaolo Banking Group.

B.2.2. Other structured entities

Qualitative information

As indicated above, the Group's operations through structured entities are also carried out through SPEs. To that end, SPEs are understood as legal entities established to pursue a specific, well-defined and limited objective:

– to raise funds on the market by issuing specific financial instruments;
– to develop and/or finance a specific business initiative, capable of generating, through an economic activity, cash flows which permit the complete reimbursement of the debt;
– to finance the acquisition of a target company which, through its economic activity, will be capable of generating cash flows for the SPEs which permit the complete reimbursement of the debt.

For the purposes of this section, operations carried out through securitisation vehicles, that is vehicles established to acquire, sell and manage specific assets, separating them from the financial statements of the Originator, for the purpose of carrying out securitisations of assets or for acquiring funding through self-securitisations and issues of Covered Bonds (CB), shall not be relevant. For those types of vehicle companies, reference should be made to section “C. Securitisations” and section “D. Sales” of Part E of the Notes to the consolidated financial statements.
In some cases, the Group sponsors the SPE by structuring the transaction to pursue specific objectives, such as raising funds, securitising its own assets also for the purposes of funding or offering financial services to customers.
In detail, the Group's operations are carried out through the following types of structured entities represented by special purpose entities (SPEs).

Project Financing SPEs

These are financing instruments for capital intensive projects, which are based on the economic or financial validity of the industrial or infrastructural project, and are independent from the standing/creditworthiness of the sponsors who developed the “entrepreneurial” idea. The financing of the initiative is based on the project’s capacity to generate positive cash flows, sufficient to reimburse loans received and guarantee an adequate risk-adjusted return on invested capital.
The Intesa Sanpaolo Group finances entities of this type, as normal borrowers, without acting as sponsor.

Asset Backed SPEs

These are transactions aimed at acquisition/construction/management of physical assets by SPEs financed by one or more entities. Their recovery prospects mostly depend upon the cash flows generated by the assets. The assets generate cash flows in their recurring operations (e.g. rentals, goods transportation contracts, etc.) or in their non-recurring operations (e.g. a real estate development or disposal plan). Generally, the assets are also the collateral for the financing disbursed to the vehicle.
The Intesa Sanpaolo Group finances entities of this type, as normal borrowers, without any direct equity investments or any other interests which might lead to presume the role of sponsor. The risk undertaken is always a normal credit risk and the benefits are represented by the return on the financing granted.

Leveraged & Acquisition Finance SPEs
This category includes exposures (loans granted and disbursed in relation to structured financing operations, normally medium/long-term) to legal entities in which the majority of share capital is held by private equity funds.
These are mainly positions in support of Leveraged Buy-Out projects (therefore with high leverage), i.e. linked to the full or partial acquisition of companies through recourse to SPEs. After acquisition of the target company's shares/quotas package, these SPEs are normally merged into the target. The target companies generally have good economic prospects, stable cash flows in the medium term and low original leverage levels. The Intesa Sanpaolo Group finances entities of this type, as normal borrowers, without acting as sponsor.

The Intesa Sanpaolo Group also has investments in/exposures to structured entities represented by UCIs.
The main cases include the Group's investments in several closed-end and reserved private equity as well as venture and seed capital funds.
The exposures to UCIs also include the investments in units of real estate funds deriving from transactions to contribute portions of the Group's real estate portfolio.
They also consist of investments in UCIs deriving from credit recovery operations or contributions of non-performing loans, together with other banking entities, to funds managed by specialist entities.
The investments in UCIs also include the units held in the Atlante Fund and the Italian Recovery Fund, alternative investment funds managed by the asset management company Quaestio Capital Management, involved in value enhancement of Non-Performing Loans of Italian banks.
Lastly, the Intesa Sanpaolo Group invests in hedge funds. For more information, reference is made to the specific section in Part E of the Notes to the consolidated financial statements.
The Group made further investments in UCIs through the subsidiary Eurizon Capital SGR and the companies controlled by it, in line with the financial portfolio management policies issued by the asset management company and its subsidiaries, in agreement with the Intesa Sanpaolo Group Guidelines on the subject. In detail, the asset management company and its subsidiaries have both temporary and structural available funds deriving from company equity that is not permanently invested in equity investments or other fixed assets, and from the ordinary cash flows. Based on that set out in the Guidelines for Group Finance, as part of liquidity management activities, structural and temporarily available funds linked to the trend in short-term and on demand cash flows make up the liquidity portfolio net of the amount held in current accounts or invested in term deposits. In relation to the activities carried out by the asset management company and its subsidiaries and the characteristics of the available funds in question, excess liquidity must be invested in assets with moderate risk that can be easily liquidated. That portfolio includes investments in short-term money market and bond funds, both specialising in the Eurozone, established and/or managed by Eurizon Capital SGR or by its subsidiaries. The Group's investments in UCIs managed by subsidiaries do not prejudice the operational autonomy and capacity of the asset management companies to act in the exclusive interest of investors, considering the specific provisions set out in sector regulations and by the Supervisory Authorities.

The table below summarises the accounting portfolios that the debit and credit transactions with unconsolidated structured entities are allocated to.

Quantitative information

(millions of euro)

Captions / Type of structured entity	Accounting portfolios under assets	Total assets (A)	Accounting portfolios under liabilities	Total liabilities (B)	NET BOOK VALUE (C = A-B)	Maximum exposure to risk of loss (D)	Difference between exposure to risk of loss and book value (E = D - C)
1. Special purpose vehicle		**1,860**		**523**	**1,337**	**2,233**	**896**
	Financial assets held for trading	76	Due to customers	471			
	Other financial assets mandatorily measured at fair value	-	Financial liabilities held for trading	52			
	Financial assets measured at fair value through other comprehensive income	21					
	Financial assets measured at amortised cost - Loans to customers	1,763					
2. UCI		**4,378**		**143**	**4,235**	**4,555**	**320**
	Financial assets held for trading	473	Due to customers	142			
	Financial assets designated at fair value	3,734	Financial liabilities held for trading	1			
	Assets measured at amortised cost Loans to customers	171					

The maximum exposure to risk, representing the maximum exposure of the Group to losses deriving from its interests in structured entities, is generally equal to the net book value, to which, where applicable, several types of off-balance sheet exposures are added (e.g. committed credit lines or guarantees given). The net book value equals the exposure in the financial statements net of value adjustments recorded during the current and previous years.
For UCIs, the maximum risk exposure also includes the Group's commitments, not yet called up by the fund, to subscribe additional units.

The table below shows the amount and type of revenues earned over the year by structured entities. The main component of the revenues recognised consists of fees deriving from the management and placement of the UCIs sponsored and managed by the Group's asset management companies and placed with customers. The fees in question are charged by the asset management company to the funds managed and partly reversed to the distribution network for the placement service.

(millions of euro)

Type of structured entity sponsored	Interest	Fees and commissions	Dividends	Other revenue	TOTAL
UCI	117	2,280	202	-672	1,927
Special-purpose vehicles	101	14	-	-9	106

SECTION 2 – RISKS OF THE PRUDENTIAL CONSOLIDATION

In this section the figures are shown gross of the transactions with the other companies included in the scope of the accounting consolidation. These figures usually also include the assets and liabilities, in proportion to the interest held, of the jointly-controlled banking, financial and operational companies consolidated proportionally for reporting purposes. Where the contribution of transactions between the companies included in the prudential consolidation and the other companies in the scope of the accounting consolidation is material, the details of those transactions are provided at the foot of the disclosure concerned.

The following table contains the reconciliation of the consolidated balance sheet with the banking regulatory-scope balance sheet.

(millions of euro)

Assets		31.12.2025 Financial Statements	Effects of the deconsolidation and consolidation of counterparties other than those in the banking group (*)	31.12.2025 Regulatory-scope balance sheet
10.	Cash and cash equivalents	37,868	-591	37,277
20.	Financial assets measured at fair value through profit or loss	162,472	-109,699	52,773
	a) financial assets held for trading	*46,241*	*21*	*46,262*
	b) financial assets designated at fair value	*4*	-	*4*
	c) other financial assets mandatorily measured at fair value	*116,227*	*-109,720*	*6,507*
30.	Financial assets measured at fair value through other comprehensive income	163,441	-73,491	89,950
40.	Financial assets measured at amortised cost	532,710	1,139	533,849
	a) due from banks	*46,005*	-	*46,005*
	b) loans to customers	*486,705*	*1,139*	*487,844*
50.	Hedging derivatives	7,372	-30	7,342
60.	Fair value change of financial assets in hedged portfolios (+/-)	-5,982	-	-5,982
70.	Investments in associates and companies subject to joint control	2,735	7,116	9,851
80.	Insurance assets	669	-669	-
	a) insurance contracts issued that are assets	*477*	*-477*	-
	b) reinsurance contracts held that are assets	*192*	*-192*	-
90.	Property and equipment	8,645	-334	8,311
100.	Intangible assets	10,003	-533	9,470
	of which:	-	-	-
	- goodwill	*3,699*	*-424*	*3,275*
110.	Tax assets	11,591	-765	10,826
	a) current	*1,112*	*-111*	*1,001*
	b) deferred	*10,479*	*-654*	*9,825*
120.	Non-current assets held for sale and discontinued operations	1,065	-	1,065
130.	Other assets	27,298	-3,573	23,725
Total Assets		**959,887**	**-181,430**	**778,457**

Liabilities and Shareholders' Equity		31.12.2025 Financial Statements	Effects of the deconsolidation and consolidation of counterparties other than those in the banking group (*)	31.12.2025 Regulatory-scope balance sheet
10.	Financial liabilities measured at amortised cost	623,444	2,799	626,243
	a) due to banks	*57,715*	*-1,172*	*56,543*
	b) due to customers	*466,380*	*2,273*	*468,653*
	c) securities issued	*99,349*	*1,698*	*101,047*
20.	Financial liabilities held for trading	39,656	55	39,711
30.	Financial liabilities designated at fair value	76,380	-49,184	27,196
40.	Hedging derivatives	2,695	-54	2,641
50.	Fair value change of financial liabilities in hedged portfolios (+/-)	-2,923	-	-2,923
60.	Tax liabilities	2,881	-1,252	1,629
	a) current	*865*	*-60*	*805*
	b) deferred	*2,016*	*-1,192*	*824*
70.	Liabilities associated with non-current assets held for sale and discontinued operations	45	-	45
80.	Other liabilities	14,693	-1,210	13,483
90.	Employee termination indemnities	614	-3	611
100.	Allowances for risks and charges	4,506	-63	4,443
	a) commitments and guarantees given	*676*	*35*	*711*
	b) post-employment benefits	*53*	-	*53*
	c) other allowances for risks and charges	*3,777*	*-98*	*3,679*
110.	Insurance liabilities	132,518	-132,518	-
	a) insurance contracts issued that are liabilities	*132,481*	*-132,481*	-
	b) reinsurance contracts held that are liabilities	*37*	*-37*	-
120.	Valuation reserves	-1,512	-	-1,512
130.	Redeemable shares	-	-	-
140.	Equity instruments	7,704	-	7,704
150.	Reserves	18,538	-	18,538
155.	Interim dividends (-)	-3,234	-	-3,234
160.	Share premium reserve	24,280	-	24,280
170.	Share capital	10,369	-	10,369
180.	Treasury shares (-)	-240	-	-240
190.	Minority interests (+/-)	152	-	152
200.	Net income (loss) (+/-)	9,321	-	9,321
Total Liabilities and Shareholders' Equity		**959,887**	**-181,430**	**778,457**

(*) The effects are attributable to:
- deconsolidation of companies that are not part of the Banking Group;
- proportional consolidation of the jointly controlled companies that are consolidated at equity in the financial statements.

1.1 CREDIT RISK

QUALITATIVE INFORMATION

1. GENERAL ASPECTS

The Group's Risk Appetite Framework, strategies, Credit Powers and Credit Granting Rules are aimed at:

– achieving a sustainable goal consistent with the Group's risk appetite and value creation objectives, whilst guaranteeing the quality of its lending operations;
– diversifying the portfolio, limiting the concentration of exposures to counterparties/groups, economic sectors or geographical areas;
– efficiently selecting economic groups and individual borrowers through a thorough analysis of their creditworthiness aimed at limiting the risk of insolvency and mitigating potentially associated losses;
– favouring lending business aimed at supporting the real economy and production system and at developing relationships with customers;
– constantly monitoring relationships and the related exposures, through the use of both IT procedures and systematic surveillance of positions that show irregularities with the aim of detecting any symptoms of deterioration in a timely manner.

Constant monitoring of the quality of the loan portfolio is also pursued through specific operating checks for all the phases of loan management.

It should also be noted that the 2022-2025 Business Plan includes specific initiatives aimed at massive NPL stock reduction and continuous prevention through a modular strategy.
As a result of the massive de-risking carried out in previous years, in 2025 a number of extraordinary disposals were carried out on portfolios amounting to around 1.4 billion euro in terms of Gross Book Value (GBV) at Group level, of which 1.3 billion euro relating to the Parent Company Intesa Sanpaolo, including 0.3 billion euro already reclassified to IFRS 5 in December 2024. Moreover, in the last quarter of 2025, portfolios of non-performing loans classified as ready to be sold were accounted under Non-current assets held for sale and discontinued operations, having met the conditions for applicability based on IFRS 5, amounting to 1.9 billion euro gross, which are scheduled for disposal in 2026.

In this regard, see also the section "The 2022-2025 Business Plan and the new 2026-2029 Plan" of the Report on operations.

1.1 The valuation impacts for the Intesa Sanpaolo Group of the military conflict between Russia and Ukraine

Details are provided below of the qualitative and quantitative aspects relating to credit exposures to counterparties resident in the countries in conflict, held in the portfolio of the two subsidiaries resident in Russia and Ukraine, Banca Intesa Russia and Pravex Bank (Ukrainian bank), or credit disbursed by other entities of the Group (cross-border exposures), with particular regard to their valuation.

As at 31 December 2025, the Group presented the following on-balance sheet exposures to counterparties resident in Russia and Ukraine (net of ECA guarantees and gross/net of value adjustments carried out).

(millions of euro)

	31.12.2025 (*)				31.12.2024 (**)			
	Gross exposure		Net exposure		Gross exposure		Net exposure	
	Russia	Ukraine	Russia	Ukraine	Russia	Ukraine	Russia	Ukraine
Loans to customers	**406**	**148**	**214**	**103**	**547**	**193**	**409**	**138**
Banca Intesa Russia	*71*	*-*	*16*	*-*	*126*	*-*	*71*	*-*
Pravex	*-*	*44*	*-*	*-*	*-*	*54*	*-*	*-*
Cross-border exposures	*335*	*104*	*198*	*103*	*421*	*139*	*338*	*138*
Due from banks	**51**	**61**	**48**	**61**	**759**	**72**	**751**	**72**
Banca Intesa Russia	*36*	*-*	*34*	*-*	*744*	*-*	*737*	*-*
Pravex	*-*	*61*	*-*	*61*	*-*	*72*	*-*	*72*
Cross-border exposures	*15*	*-*	*14*	*-*	*15*	*-*	*14*	*-*
Securities	**-**	**126**	**-**	**120**	**1**	**53**	**-**	**51**
Banca Intesa Russia	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Pravex	*-*	*120*	*-*	*115*	*-*	*46*	*-*	*46*
IMI C&IB Division	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Insurance Division	*-*	*6*	*-*	*5*	*1*	*7*	*-*	*5*

(*) In addition to the on-balance sheet exposures shown in the table, there are off-balance sheet exposures to customers for 5 million euro (gross and net value) at Banca Intesa Russia, and 27 million euro (gross and net value) at Pravex, in addition to 21 million euro (9 million euro net) in cross-border off-balance sheet exposures to resident customers in Russia, net of ECA, and 7 million euro (gross and net value) to customers resident in Ukraine.
There is also 20 million euro (gross and net value) in cross-border off-balance sheet exposures to banks resident in Russia and 10 million euro (gross and net value) in cross-border off-balance sheet exposures to banks resident in Ukraine.
The cross-border exposures to customers resident in Ukraine, for the corporate part (backed by guarantees provided by US persons), decreased by approximately 17 million euro compared to December 2024, while, for the household part (mainly related to exposures disbursed by the subsidiary VUB to households with permanent residence in Slovakia), they decreased by approximately 18 million euro compared to December 2024.

(**) In addition to the on-balance sheet exposures shown in the table, there are off-balance sheet exposures to customers for 29 million euro (25 million euro net) at Banca Intesa Russia, and 33 million euro (both gross and net value) at Pravex, in addition to 20 million euro (book value nil in net terms) in cross-border off-balance sheet exposures to customers resident in Russia, net of ECA, and 8 million euro (both gross and net value) to customers resident in Ukraine.
There are also 27 million euro (both gross and net value) in cross-border off-balance sheet exposures to banks resident in Russia and 9 million euro (both gross and net value) in cross-border off-balance sheet exposures to banks resident in Ukraine.
Lastly, the cross-border exposures to customers resident in Ukraine are, for the corporate part, backed by guarantees provided by European and US persons, while, for the household part, mainly relate to exposures disbursed by the subsidiary VUB to households with permanent residence in Slovakia.

Starting in March 2022, among the areas receiving the greatest attention in terms of credit assessments in the emergency triggered by the conflict in Ukraine, a specific focus was dedicated to the Group's exposure to counterparties resident in Russia and Ukraine. Specifically, customised measures were implemented to strengthen the oversight of credit risk, also by updating the assessment of creditworthiness, of counterparties with residency or parent companies in the Russian Federation, Belarus[373] or Ukraine.

As shown in the table, at the end of the year the remaining on-balance sheet exposures to the total counterparties resident in Russia and Ukraine amounted, in terms of gross values, to 71 million euro (16 million euro net) for Banca Intesa Russia and 335 million euro (198 million euro net) for cross-border exposures to customers resident in Russia (net of ECA guarantees). These were accompanied by exposures to banks and debt securities totalling 51 million euro (48 million euro net). Exposures to customers resident in Ukraine amounted to 148 million euro (103 million euro net), of which 44 million euro (book value nil in net terms) related to the subsidiary Pravex Bank. There were also exposures to banks of 61 million euro (61 million euro net) and in securities totalling 126 million euro (120 million euro net).

During the year, the gross on-balance sheet exposure to total counterparties resident in Russia and Ukraine (customers, banks and securities) decreased by 833 million euro (-51%) compared to 1,625 million euro at the end of 2024. This reduction mainly related to amounts due from banks of the subsidiary Banca Intesa Russia, attributable to the conversion of term deposits with Central Banks into liquid assets (cash and on-demand deposits) and gross exposures to cross-border customers resident in Russia amounting to 86 million euro mainly due to repayments.

[373] For these purposes, the small exposures to Belarusian counterparties have for simplicity been treated and disclosed together with the exposures to the Russian Federation.

The overall net exposure (customers, banks, and securities) to counterparties resident in Russia and Ukraine, amounting to 546 million euro, decreased by 875 million euro (-62%) from 1,421 million euro on 31 December 2024.

For the Consolidated financial statements as at 31 December 2025, the key choices have been maintained regarding staging assignment and ECL calculation adopted by the Group for performing loans in the period 2022-2025, based on an approach strongly driven by the emergence of geopolitical risk.

In particular, with regard to the methodological aspects for determining the Expected Credit Loss (ECL) of cross-border exposures to residents in Russia within the Core scope, as at 31 December 2025 the following have been maintained: the classification to Stage 2 of in-scope counterparties, the decision to adopt the through-the-cycle PD associated with the assigned rating for the ECL calculation on the Core scope, without forward-looking conditioning, and the application of a prudential buffer to the Loss Given Default (LGD), in order to achieve equivalence with the use of a loss rate estimated using a methodology based on the transfer of the risk of the country of residence under Pillar 2 modelling (fixed LGD from transfer risk model set at 55%, not subject to conditioning). Lastly, adjustments have been applied to a counterparty (increases in the ECL as calculated above) to capture potential expected losses not adequately measured by the estimates. The banks of the International Banks Division adopt the ratings of the Parent Company and the centrally determined "transfer risk" parameter of LGD on the Group's common cross-border customers. For the other exposures, the ratings are determined by local models, in line with the instructions received from the Parent Company's Group Rating Desk.
For specific positions, over time the Group has noted their impairment, classifying them as non-performing loans and subjecting them to individual assessment. As at 31 December 2025, there were non-performing positions of 114 million euro gross (57 million euro net), up compared to 31 December 2024 (9 million euro gross and 4 million euro net).

With reference to loans to customers disbursed by Pravex Bank, the choice adopted starting from the 2022 Financial Statements to classify loans to customers of the Ukrainian subsidiary as non-performing loans (bad loans), with full write-down of the on-balance sheet component (44 million euro gross as at 31 December 2025 and 54 million euro gross as at 31 December 2024), has been maintained.

For Banca Intesa Russia, the classification and measurement approach for performing loans used in previous years was maintained. With regard to the valuation of loans, the approaches already adopted have been maintained through the application of prudential adjustments. In summary, therefore:
– for exposures to counterparties in common with the Group, the principle of substantial consistency with the approach adopted for the Core scope has been maintained (Stage 2 classification, and ECL consistent with the assigned rating and the loss rate adopted by the Parent Company);
– for the remaining portfolio, based on the initial valuation criteria adopted by the bank, a significant and broader prudence factor has been applied, covering all segments (Corporate, SME Corporate, Retail) and set with a particularly high average coverage by the CRO Area, further strengthened in the first quarter of 2025 to reflect the continued conflict.

As a result of the provisions made, the total coverage of performing loans of the Russian subsidiary amounted to 60% of their gross value (36.3% in December 2024).
Gross non-performing loans amounted to 31 million euro (35 million euro as at 31 December 2024), fully written down from 31 March 2025 (13 million euro net as at 31 December 2024).
The Group had also provided Banca Intesa Russia with loans to support its operations with a gross residual value as at 31 December 2025 of 114 million euro.

With regard to the valuation of the other balance sheet items, the remaining marginal positions in securities have been measured in line with the approach adopted in the 2024 Annual Report. These essentially relate to Pravex, 120 million euro as at 31 December 2025 and 46 million euro as at 31 December 2024, in connection with the purchase of government securities or securities issued by central banks.

With regard to the small real estate portfolio of the two subsidiaries, in line with previous years, for Pravex Bank, the full write-down of the value of the assets has been maintained, except for the central headquarters in Kyiv whose value has been kept unchanged. For Banca Intesa Russia, whose real estate asset portfolio essentially consists of the Moscow headquarters, the results of the valuations substantially confirmed the previous carrying amounts.

Overall, there were no significant profit and loss impacts on the Russian and Ukrainian exposures as at 31 December 2025, following the write-downs of non-performing positions, offset by recoveries from collections on performing positions, as well as exchange differences on several positions in foreign currency. In addition to these profit and loss impacts, the subsidiary Banca Intesa Russia generated positive earnings of 139 million euro, which have been included in the consolidated result from the first quarter of 2025, in consideration of the gradual reduction in the volume of operations and, consequently, the risk profile of Banca Intesa Russia (in compliance with the guidance from the EU Regulators) and its earnings outlook which still remains positive, despite an expected progressive decline. However, in line with the financial statements as at 31 December 2024, the provision made to eliminate the shareholders' equity of the subsidiary on that date has been substantially maintained. This provision, allocated to a specific allowance for risks and charges, amounted to 438 million euro as at 31 December 2025 (382 million euro as at 31 December 2024, with the change mainly linked to the appreciation of the rouble against the euro).

2. CREDIT RISK MANAGEMENT POLICIES

2.1 Organisational aspects

Within the Intesa Sanpaolo Group, a fundamental role in managing and controlling credit risk is played by the Corporate Bodies, which, to the extent of their respective competences, ensure adequate coverage of credit risk by setting strategic guidelines and risk management policies, verifying that they remain constantly efficient and effective and assigning tasks and responsibilities to the company functions and units involved in the processes.
The coverage and governance of credit ensured by the Corporate Bodies is reflected in the current organisational structure, which identifies areas of central responsibility attributable to:
– Chief Lending Officer Governance Area;
– Chief Risk Officer Governance Area;
– Chief Financial Officer Governance Area.

They ensure that risk control activities are managed and implemented, with an appropriate level of segregation, in addition to the establishment of the supporting processes and applications.

The Chief Lending Officer Governance Area, through its own structures:
– takes lending decisions, directly or submitting them to responsible corporate Bodies, that are significant in terms of Group's credit risk assumption and management, providing direct authorisation where appropriate, also through advisory opinions;
– ensures the correct classification and valuation for financial reporting purposes of positions under its responsibility that are classified as non-performing loans;
– ensures the proactive management of credit and guarantees the management and the monitoring of the Group's non-performing loans, within its area of responsibility;
– manages the stocks and flows of bad loans managed within the Group;
– defines and manages disposals of NPE individual exposures or portfolios and other assets within scope, with the collaboration of other competent functions;
– performs monitoring and control on outsourced activities, including the monitoring of the performance KPIs of outsourcers, directly making decisions, or submitting them to the Competent Bodies, regarding proposals exceeding the powers delegated to the outsourcers;
– contributes, within its area of responsibility, to the process of formulating credit strategy proposals for the Divisions, with the aim of incentivising new lending, through pricing adjustments, to the economic sectors and customer clusters with the greatest attractiveness in terms of risk-return profile, also taking into account the Group's ESG policies;
– contributes to establishing and evaluating the Group's sector framework, coordinating and supporting the Sector Working Group in defining sector performance indicators;
– analyses the evolution of the cost of credit within the Group, also taking into account the application of the aforesaid credit strategies;
– assigns and validates the ratings to the positions in scope, also providing support in defining rating allocation processes and tools;
– defines lending relevant regulations and requirements for credit tools development and contribute to the formulation of proposals for the assignment of credit granting and NPL management powers, notwithstanding the responsibility for the final decision belonging to the Chief Risk Officer Governance Area;
– promotes initiatives aimed at disseminating and developing a credit culture;
– ensures, consistently with the Guidelines of the Chief Risk Officer Governance Area, the first level systematic supervision of the relevant loan portfolio, identifying phenomena referring to specific credit aggregates characterised by high levels of anomalies for which to activate the appropriate risk mitigation measures.

The Chief Risk Officer Governance Area is responsible for adapting the Risk Appetite Framework for the management of credit risk, in accordance with company strategies and objectives, as well as for measuring and controlling the Group's risk exposures. Specifically, the Chief Risk Officer Governance Area:
– establishes the metrics for the measurement of credit risk - also with regard to the collective measurement of performing loans and the measurement of non-performing loans on a statistical basis;
– provides risk-adjusted pricing models and ensures the measurement of portfolio risk in relation to Expected Loss, Economic Capital (ECAP) and RWAs;
– monitors the absorption of capital relating to credit risk, supporting the Chief Financial Officer Governance Area in the active management of capital;
– makes proposals for the assignment of Credit Powers;
– ensures the validation of the internal risk measurement systems;
– ensures the establishment and the oversight of the governance framework for model risk;
– performs II level monitoring and controls on credit quality, the composition and evolution of the various loan portfolios and the proper classification and measurement of single positions ("single name" controls);
– develops and oversees the validation framework for the Group's Data Governance model;
– ensures the preparation and execution of the annual "Regular Assessment" of the Risk Data Aggregation and Risk Reporting (RDARR) process at Group level, and, within the overall risk management process, oversees the performance of II level controls related to Data Governance.

The activities are performed directly by the Chief Risk Officer Governance Area for both the Parent Company and the main subsidiaries, using the centralised model.

With regard to the credit risk management policies, the Chief Financial Officer Governance Area:
– assists the Corporate Bodies in defining, in accordance with the Group corporate strategies and objectives, the guidelines and policies on: administration and tax, planning and management control, treasury and finance, studies and research, balance sheet optimisation from a risk-return perspective, relations with investors and rating agencies;

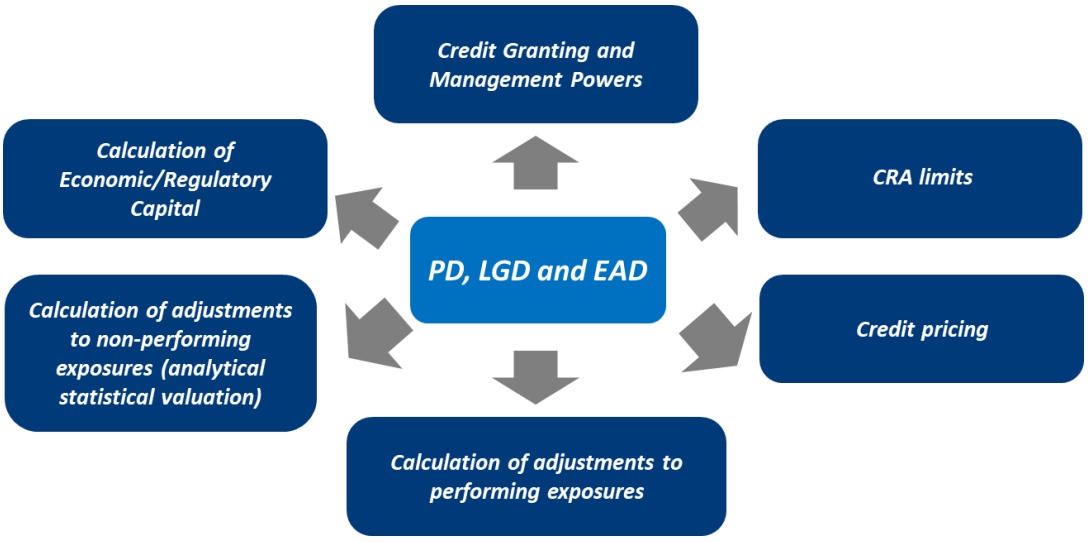
- oversees the balance sheet optimisation activities at Group level, supporting the Divisions in the active management of credit risk, with the aim of improving the risk-return profile of the loan portfolio in order to create value for shareholders;
- contributes to the development of the credit strategy framework;
- monitors the evolution of the credit portfolios in order to propose the necessary corrective measures to achieve the established income and financial targets;
- coordinates and supports the analysis, drafting and annual review of the Group NPL Plan and related documents, also assessing their consistency with the Business Plan and the Risk Appetite Framework in cooperation with the other corporate functions involved, including for the purpose of preparing the communications concerning non-performing loans to the Group Strategic Credit Committee, the Board of Directors and the Authorities;
- monitors the progress of the Group NPL Plan, helping to identify any critical areas and corrective actions, through the constant alignment of the functions concerned.

The Chief Data, A.I. and Technology Officer establishes the model and oversees the Group's Data Governance and Data Quality system, ensuring its dissemination and implementation and coordinating the activities of the parties involved.

Lastly, as is the case for all the risk areas and above all for credit risk, the Chief Audit Officer performs internal audit activity aimed to identify violation of procedures and regulations and to periodically assess the comprehensiveness, adequacy, functionality (in terms of efficiency and effectiveness) and reliability of the internal control system and the IT system (ICT audit), at pre-established intervals depending to the nature and severity of the risks.

2.2 Management, measurement and control systems

Intesa Sanpaolo, as the Parent Company, has set out codes of conduct in relation to credit risk acceptance, in order to prevent excessive concentration of exposures, limit potential losses in adverse scenarios, and maintain credit quality in line with the objectives of capital and financial stability.
Expected Loss and Risk Weighted Assets are fundamental elements for the management, measurement and control of credit risk. These measures incorporate the effects of the exposure size (Exposure at Default - EAD), the relative riskiness of the customer (Probability of Default - PD), the loss estimate where insolvency conditions exist - taking into account the guarantees that mitigate the assumption of risk related to the credit facility (Loss Given Default - LGD) - and the duration of the exposure (maturity), as detailed in Paragraph 2.3.
The components that contribute to the determination of the Risk Weighted Assets are the key elements for the determination of the levels of the Credit Granting Powers, the limits of the Credit Risk Appetite (CRA), the credit pricing, the calculation of the adjustments on performing exposures and the analytical-statistical adjustments on non-performing exposures, as well as the calculation of the economic and regulatory capital.



The Credit Risk Appetite is aimed at optimising the risk/return profile of the assets. The "Rules on Credit Risk Appetite" define the methods for applying the CRA and the methods for calculating the CRA colour class, with associated exposure limits, in order to pursue a growth in lending consistent with the risk appetite defined for the Group.
The objective of the calculation of the pricing of transactions is to define the suitability of the economic conditions based on the value generation with respect to the expressed riskiness and all the components that contribute to the calculation of the value, also including the costs allocated to the structures.
The economic capital is defined as the maximum "unexpected" loss that the Group may incur over a period of one year with a particular confidence level. It is estimated on the basis of the current situation and also at a forecast level, in line with the approved Risk Appetite Framework, based on the budget assumptions and the forecast macroeconomic scenario, and in relation to stress scenarios. The economic capital together with the risk capital calculated on a regulatory basis is a fundamental element in the assessment of the Group's capital adequacy within the ICAAP.
The levels of Powers set in terms of RWA delimit the decision-making power in the granting phase, specifying the authorised professional profiles and the decision-making procedures for the loans for the individual counterparties. In particular, where the

granting of loans by the Group's subsidiaries exceeds certain thresholds, a request for a "Compliance Opinion" is made to the competent bodies of the Parent Company.
The credit granting phase is also regulated by metrics that are complementary to the RWAs, which define coordination mechanisms and support tools for the ongoing exercise of guidance, coordination and control responsibilities, in implementation of the corporate governance provisions. Specifically, the company regulations include the Credit Granting Rules, which specify the procedures for assuming credit risk towards customers, and the Rules on credit strategies, which aim to guide the origination and management of the stock of loans – through measures including price adjustments, portfolio steering, monitoring, and dynamic loan management – while also taking into account the corporate goals of supporting sustainable lending through specific discounts for certain ESG products and transactions.
The credit risk management processes also involve the periodic review of the credit positions by the competent centralised or decentralised units and the assessment of customers not only at origination, but also on a continuous basis, through a periodic monitoring process that interacts with the credit management and control processes and procedures to ensure timely assessment of any signs of impairment, with an impact on the level of risk of the exposures. Following the developments introduced in the 2022-2025 Business Plan, an Early Warning System (EWS) for detection and classification is now in place for the Corporate, Retail SME, Retail and Institutions portfolios. The models were also developed using the indicators identified in the Asset Quality Review and consist of a statistical part, a qualitative part and additional manual event triggers. The indicators are updated on a daily basis and, when they confirm a potential anomaly positions are detected and reported in specific management processes. The EWS models, as mentioned above, have been undergoing further development since the second half of 2021 with progressive integration into the credit processes. In addition, the Group continued to develop its own managerial models to support the credit granting and review (e.g. affordability, digital decision making engines, and forecasting), in line with the 2022-2025 Business Plan, the credit digitalisation projects, and the applicable regulations. Lastly, sector-specific forecasting models support several corporate processes including RAF, credit strategies, and credit granting and monitoring activities/instruments, as well as managerial adjustments to the IFRS 9 models.

The valuation of the adjustments to the performing and non-performing exposures is based on methods consistent with IFRS 9, described in detail in Part A - Section "A.2 - Main financial statement captions" and in particular in the paragraph "*Impairment of assets".* The paragraph below "*2.3. Methods for measuring expected losses*" details the main applications used for the 2025 Financial Statements.

Country risk is an additional component of an individual borrower's insolvency risk, measured by credit risk control systems. This component is linked to losses potentially resulting from international lending operations caused by events in a country that are partly or entirely within the control of the government concerned, but not that of the individual residents of the country in question. Country risk therefore takes the form of both transfer risk for non-sovereign counterparties, due to the freezing of international payments, and sovereign risk, which is measured through an assessment of the sovereign states' creditworthiness. This definition includes all forms of cross-border lending to entities residing in a particular country.
The country risk component is used in the granting of credit to non-resident entities in order to obtain a preliminary evaluation of the absorption of the country risk limits set on an *ex-ante* basis. These limits, expressed in terms of economic capital, identify the maximum acceptable risk for the Group, set on an annual basis in the Group Risk Appetite Framework. It should also be noted that, as a result of the exceptional situation caused by the outbreak of the Russia/Ukraine conflict, the estimated transfer risk of the Russian Federation was taken as a reference for the determination of the LGD assigned to the cross-border counterparties as described in paragraph "1.1 The valuation impacts for the Intesa Sanpaolo Group of the military conflict between Russia and Ukraine".

Counterparty risk is a particular type of credit risk associated with derivatives and SFTs (Securities Financing Transactions, i.e. repos/reverse repos and securities lending/borrowing), that refers to the possibility that a counterparty may default before the contract expires. This risk, which is often referred to as replacement risk, is related to the case in which the market value of a position has become positive and thus, in the case of default of the counterparty, the solvent party would be forced to replace the position on the market, thereby suffering a loss.
With regard to counterparty risk, the Banking Group has an internal model for measuring this risk both for regulatory (only for the Parent Company) and managerial purposes.
Potential Future Exposure (mean effective PFE 95%) has been adopted by the entire Banking Group for the measurement of the utilisation rate of credit limits for derivatives and SFTs exposures. The Business Units, Market & Financial Risks Management Coordination Area produces daily risk measurement estimates for counterparty risk, for the measurement of the utilisation rate of credit lines for derivatives and SFTs for the Parent Company and Fideuram - Intesa Sanpaolo Private Banking. The other Banks of the Group also use an internal model measurement approach, in simplified form, through internally estimated add-ons.
In addition, the following company processes were implemented to complete the risk analysis process for the exposure measures implemented over time following the developments discussed above:

- definition and periodic calculation of stress tests on market scenarios and joint market/credit scenarios on counterparty risk measures;
- definition and periodic analysis of Wrong-Way Risk, i.e. the risk of a positive correlation between the future exposure to a counterparty and that counterparty's probability of default;
- definition and monitoring of management limits;
- contribution of collateral inflow/outflow risk measures, calculated on the basis of the internal counterparty risk model, for OTC derivatives and SFTs with margining agreements (CSA, GMRA and similar);
- periodic reporting to the management of measures calculated using the internal exposure model, capital requirement, level of use of management limits, results of stress tests and analyses of wrong-way risk;
- definition and periodic calculation of back-testing analyses to monitor the predictive performance over time of the model with respect to the movements of the risk factors underlying the transactions in the portfolio.

The concentration risk arises from the exposure to counterparties, groups of related counterparties and counterparties in the same business segment or that engage in the same business or operate in the same geographical region. In the annual update of the Risk Appetite Framework, such counterparties are subject to stress tests aimed at identifying and assessing threats for the Group and the most appropriate mitigating actions:
– setting limits on the name concentration of the portfolio (top 20) and credit lines subject to country risk;
– ex-ante limitation of exposures with significant concentration effects, in particular for "large exposures";
– ex-post correction of the risk profile, through the secondary loan market, using specific judgement metrics based on the maximisation of overall portfolio value.

The Internal Validation & Controls Coordination Area, within the Chief Risk Officer Governance Area, carries out specific level II controls on credit monitoring and data governance.
The purpose of the credit controls is to verify the proper classification and the adequacy of the management process for individual exposures (so-called single names).
In general, the development of control activities includes the credit processes assessment, also to verify that suitable Level I controls are in place, including their proper execution and traceability. The potential areas of investigation to be examined through Single Name controls also consider the results of the monitoring carried out by the Level I control functions on different credit clusters.
It also assesses the compliance of the internal risk measurement and management systems over time as regards the determination of the capital requirements with the regulatory provisions, company needs and changes in the relative market.

The Group's lending activity is focused on Italian customers (almost 80% of the total) and is primarily aimed at households as well as small and medium enterprises.
The exchange of basic information flows between different Group entities is assured by the Group's Central Credit Register (exposure monitoring and control system) and by the "Posizione Complessiva di Rischio" (global risk position), which highlight and analyse credit risks for each counterparty/economic group both towards the Group as a whole and towards individual Group companies.
The AnaCredit reporting – designed to support the "collection of granular credit and credit risk data" in accordance with the regulatory provisions established by the ECB (Regulation (EU) 2016/867) for the respective National Central Banks – is also generated and submitted.

2.3 Methods for measuring expected losses

The expected loss is the product of exposure at default, probability of default and Loss Given Default.
In Intesa Sanpaolo, probability of default is measured by means of different rating models according to borrower segment (Large Corporate, Corporate, Retail SME, Retail, Sovereigns, Public Sector Entities and Banks). These models make it possible to summarise the counterparty's credit quality in a measure, the rating, which reflects the probability of default over a period of one year, adjusted on the basis of the average level of the economic cycle.
A number of rating models are used for the Large Corporate and Corporate segments, which use all available information sources and incorporate the opinions of credit analysts and relationship managers. In particular:
– for companies in general, different models are applied based on their size category, with the most up-to-date versions authorised in February 2025 (Large Corporate Groups model, for counterparties with individual or group turnover exceeding 500 million euro) and August 2025 (Corporate Groups model, for customers with turnover between 5 million euro and 500 million euro);
– specific models are used for specialised lending, one for real-estate initiatives, one for project finance transactions and one for leveraged buy-out/acquisition finance transactions. The authorisation for the use of the most up-to-date versions was received in December 2023.

The models applied to the Retail SME, Factoring and Retail portfolios are as follows:
– for the Retail SME segment, starting from August 2025, a new version of the automated rating model is being used for SMEs with turnover below 5 million euro. In addition, a new transversal automated model has been developed for the valuation of the non-recourse factoring assigned debtors with turnover below 500 million euro. The new models leverage the growing availability of data on companies and enable the use of advanced analysis techniques, such as machine learning, while meeting the requirements set by the regulator. This enables the generation of real-time online ratings, supporting more efficient and accurate automated processes, significantly reducing time-to-market;
– for the Retail segment, the counterparty rating model in use since September 2018 was updated in August 2022, following the receipt of the authorisation letter, with effects for reporting purposes from September 2022. In May 2023, the Group received approval for the *ex-ante* UBI Retail notification sent in October 2022.

With regard to the Institutions portfolio (comprising Financial Institutions and Public Entities) authorisation for the use of the new models was received in November 2025:
– the banks model consists of a quantitative component, differentiated between banks from countries with mature economies and banks from countries with emerging economies, a qualitative component, and a country risk component that assesses the potential country effect on the counterparty credit risk;
– the Public Entities model, used for the valuation of Municipalities, Provincial Authorities, Regional Authorities, and Local Health Authorities, consists of a quantitative component and a qualitative component, tailored to the various types of counterparties examined. An approach to extend the rating of the reference entity (e.g.: Region) has been adopted for other public sector entities. For the Sovereign portfolio, the structure of the rating model includes a quantitative module that takes into account the structural rating assigned by the main international agencies, the implicit risk in the market prices of sovereign debt, the macroeconomic assessment estimated with an econometric model, and a qualitative opinion component, which supplements the quantitative opinion with elements drawn from the broader scope of publicly available information concerning the political and economic structure of the individual sovereign countries. The Sovereign rating model is used solely for management purposes.

For the international banks of the Group, PD models are used, which may be:
– developed by the international banks in order to capture the specific features of the risk of the local counterparties;
– extended by the Parent Company;
– borrowed from the Parent Company and adapted to local situations.
Some of these models are used for reporting purposes and others only for management purposes.

The Loss Given Default (LGD) models are based on the concept of "Economic LGD", namely the present value of the cash flows obtained in the various phases of the recovery process net of any administrative costs directly attributable to the exposure as well as the indirect management costs incurred by the Group.
LGD is determined according to differentiated models, specialised by operating segment (Corporate, Retail SME, Retail, Specialised Lending, Public Entities and Banks).
For the Specialised Lending, Banks and Sovereign models, the methodology for determining LGD differs in part from the models developed for the other segments, which are based on the LGD observed on internal historical data, namely "Workout LGD", determined on the basis of recoveries and costs.
The LGD models for Specialised Lending in the Project Finance High, Real Estate High and Leverage and Acquisition Finance models are based on a five-level LGD scale. The scale is derived from simulation-based modelling, while the LGD values assigned to each level are estimated using losses observed on internal historical data, ensuring alignment between the final LGD and the long-term average losses observed in the portfolio. The LGD scale originates from a risk differentiation phase based on a sample of simulated defaults. This involves the use of a Monte Carlo simulation to generate borrowers in default based on predefined input parameters and simulated loss outcomes.
For the Banks segment the estimation model used is based on the market price of debt instruments observed 30 days after the official date of default and relating to a sample of defaulted banks from all over the world, acquired from an external provider. The model is completed by an econometric estimate aimed at determining the most significant drivers, in accordance with the practice in use for the other models, and a recalibration of the observed LGD levels on the bank's internal defaults.
Sovereign LGD is estimated by analysing historical recovery rates on sovereign defaults, split into five categories according to income levels and other specific characteristics of the individual countries.
The LGD models for Banks and Sovereigns are used solely for management purposes.

The calculation of the Exposure at Default (EAD) uses differentiated models, specialised by operating segment (Corporate, Retail SME, Retail, and Specialised Lending). Specifically, the methodology is based on data from the 12 months prior to the default event and differs according to whether or not there is a margin available at the observation date. In any case, corrective factors are applied in compliance with the regulatory requirements and in order to introduce a margin of conservatism on the estimates. Regulatory parameters are currently used for the low default segments of the Banks and Public Entities.

Portfolio	PD - Model Type	LGD - Model Type	EAD - Model Type	Status
Sovereign	Shadow model based on agency rating	Model based on recovery rates estimated by rating agencies	Regulatory parameters	Used for management and Financial statements purposes; Standardised approach for regulatory reporting purposes
Institutions	Default model (Banks) (5)	Market model (Banks)	Regulatory parameters (Banks)	AIRB authorised since June 2017 FIRB since March 2025 for regulatory reporting purposes (1) LGD model for management and Financial statements purposes
	Default model (Public Sector Entities)	Workout model (Public Sector Entities)	Regulatory parameters (Public Sector Entities)	AIRB authorised since June 2017
Corporate	Default model (Corporate, Large Corporate)	Workout model (Corporate)	CCF/ K factor model (Corporate)	FIRB authorised since December 2008 AIRB LGD authorised since December 2010 EAD authorised since September 2017 (2) Large Corporate FIRB since March 2025 for regulatory reporting purposes (1), for management and Financial statements purposes derived from AIRB Corporate model
	Simulation models / Default model (Specialised Lending)	Simulation models / Workout models (Specialised Lending)	CCF/ K factor model (Specialised Lending)	AIRB authorised since June 2012 EAD authorised since October 2023
Retail	Default model (Retail)	Workout model (Retail)	CCF/ K factor model (Retail)	IRB Other Retail authorised since September 2018, IRB Mortgage since December 2010 (3)
	Default model (Retail SME)	Workout model (Retail SME)	CCF/ K factor model (Retail SME)	IRB PD/LGD authorised since December 2012, EAD authorised since June 2021 (4)

(1) Following the new provisions of CRR3 Regulation.
(2) ISP authorised for FIRB since December 2008, for LGD AIRB since December 2010 and for EAD since 2017; VUB (2010), ISP Slovenia (2017) and ISP Luxembourg (2017).
(3) VUB authorised since June 2012 for PD and LGD of Retail Mortgage models and since December 2022 in reference to PD-LGD-EAD models of Other Retail.
(4) VUB authorised since June 2014.
(5) VUB e ISP Slovenia authorised since November 2025 for PD model.

For the Group companies included in the roll out plan, the internal rating (PD), LGD and EAD models are subject to a second level control process carried out by the Validation function on the adequacy of the existing methodological framework, on an annual basis in accordance with the rules established by the Supervisory Authority, and a level three control by the Internal Audit Function. The control functions produce annual reports for the Supervisory Authority on the compliance of the models with the supervisory regulations, which also includes a verification on the deviations between estimates made and the actual figures, and they issue a compliance opinion when material model changes are made to the models. These reports, approved by the Board of Directors of Intesa Sanpaolo, confirm the compliance to the regulatory requirements.

The methodology for the estimation of the Expected Credit Loss (ECL), adopted for the determination of the impairment on the credit exposures in accordance with IFRS 9, is implemented at individual transaction or securities tranche level, based on the IRB modelling of the parameters of Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), to which appropriate adjustments are made to ensure compliance with the requirements of the standard. A detailed description of the methods adopted by the Group is provided in Part A - Section “A.2 - Main financial statement captions” and in particular in the paragraph “Impairment of assets”, to which reference is made.
More specifically, the measurement of the financial assets reflects the best estimate of the effects of future conditions and in particular the economic conditions that affect the forward-looking PDs and LGDs. IFRS 9, also based on the guidance from the international regulators, gives particular importance to information on future macroeconomic scenarios in which the Bank may find itself and which clearly influence the situation of the debtors, with regard both to the “riskiness” of migration of exposures to lower quality classes (and therefore concerning the staging) and to the recoverable amounts (and therefore concerning the determination of the expected loss on the exposures). In terms of method, various possible alternative approaches designed to take account of these elements have been analysed. Of the various alternatives considered, the Intesa Sanpaolo Group has decided to adopt the “Most likely scenario+Add-on” approach. According to this approach, the macroeconomic conditioning of PD and LGD is carried out through a baseline scenario (“Most Likely”, in line with the approach used for other business purposes such as, for example, the budget and business plans) and then corrected with an Add-On, calculated based on the distance between the baseline scenario and the alternative scenarios. If the overall impact of the Add-On on the risk parameters is positive, the decision has been made to neutralise the effect for both staging and ECL calculation purposes. As at 31 December 2025, the usual time series update and refinement were carried out for the satellite models adopted in the Core scope, and, following the update, the most significant variables and the methodological framework adopted in previous years for those models were confirmed.
The effectiveness of the IFRS 9 models is periodically monitored by the Validation function in accordance with the internal rules through specific checks and backtesting of the risk parameters (SICR models used for staging, PD, LGD and EAD models, and haircuts). A valuation methodology has also been designed for the value of Expected Loss. In accordance with the internal regulations, the Validation function performs prior checks when significant changes are made to the relevant models. The results of the checks by the Validation function, both of a preventive and an ongoing nature, are submitted to the competent managerial committees and to the model owner functions and are presented in the annual report on the internal models used for management purposes, which is also sent to the Supervisor.

Macroeconomic scenario for forward-looking conditioning

For the purposes of forward-looking conditioning of the parameters for estimating the ECL – in accordance with the approach described in Part A - Section "A.2 - Main financial statement captions" and in particular in the paragraph "Impairment of assets" – Intesa Sanpaolo's policy involves the use of the macroeconomic scenario defined and updated by the Research structure of the Chief Financial Officer Area.

The table shows the main macroeconomic scenario variables used to determine expected credit losses from a forward-looking perspective, broken down by baseline, best-case and worst-case scenarios. These scenarios were applied in the measurement of loans according to the "Most-Likely scenario + Add-on" model described above.

		Baseline				Best-case				Worst-case			
		2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028
Euro Area	Real GDP EUR (annual change)	1.4%	1.0%	1.4%	1.3%	1.4%	1.6%	2.1%	2.2%	1.4%	0.5%	0.6%	0.3%
	CPI EUR (annual change)	2.1%	1.9%	1.8%	1.9%	2.1%	2.1%	2.6%	2.5%	2.1%	2.2%	2.1%	1.3%
	Euribor 3M	2.17	2.00	2.02	2.03	2.17	2.34	2.92	3.34	2.17	1.80	1.53	1.53
	EurIRS 10Y	2.58	2.78	2.99	3.09	2.58	3.01	3.74	4.27	2.58	2.62	2.82	2.89
	EUR/USD	1.13	1.20	1.19	1.18	1.13	1.20	1.17	1.16	1.13	1.20	1.19	1.20
Italy	Real GDP Italy (annual change)	0.5%	0.8%	0.8%	0.7%	0.5%	1.0%	1.2%	1.2%	0.5%	-0.0%	0.0%	0.2%
	CPI Italy (annual change)	1.5%	1.4%	1.8%	1.9%	1.5%	1.7%	2.7%	2.5%	1.5%	1.7%	2.0%	1.2%
	Residential Property Italy (annual change)	3.8%	2.6%	1.7%	2.0%	3.8%	5.2%	5.2%	6.4%	3.8%	0.3%	-2.7%	-2.5%
	6-month BOT yield	2.09	2.02	1.94	1.93	2.09	2.34	2.84	3.23	2.09	1.82	1.49	1.46
	10Y BTP yield	3.56	3.55	3.82	3.98	3.56	3.72	4.37	4.84	3.56	3.49	3.88	3.94
	BTP-Bund Spread 10Y (basis points)	94	80	91	105	94	73	71	73	94	89	114	121
	Italian Unemployment (%)	6.1	6.1	6.3	6.5	6.1	6.0	6.1	6.3	6.1	6.2	6.6	6.9
Commodities	Natural gas price (€/MWh)	36.4	30.0	24.0	20.0	36.4	30.3	25.9	21.4	36.4	30.7	23.8	18.0
	Oil price (BRENT)	68.3	63.0	64.0	66.0	68.3	64.0	71.6	78.1	68.3	68.3	67.3	61.8
USA	Real GDP US (annual change)	1.9%	1.8%	1.9%	1.7%	1.9%	2.7%	3.1%	3.5%	1.9%	1.1%	0.3%	0.4%
	US Unemployment (%)	4.3	4.5	4.3	4.3	4.3	4.3	3.9	3.5	4.3	4.7	5.0	5.2

Scenarios produced in December 2025 by CFO-Research. Forecast data for the fourth quarter of 2025 (GDP, unemployment and real estate prices) or December 2025 (interest rates, inflation, exchange rates, stock market indices, and spreads) and for the years 2026, 2027 and 2028.

The December 2025 scenario maintains assumptions that are substantially in line with those in the September and June forecasts. In the fourth quarter of 2025, the protectionist measures adopted by the United States administration on the trade front stabilised: the theoretical average tariff applied by the United States is estimated at 16.8% and the effective average tariff stood at 11.5% in November. The bilateral tariff regime is currently under review by the Supreme Court, which is expected to rule on its legality by March 2026. The baseline scenario assumes that the US tariffs in force will be maintained throughout the forecast period. The overall scenario would remain unchanged even if the IEEPA tariffs, such as the universal base tariff and the "reciprocal" tariffs, were blocked by the Supreme Court. In that case, it is assumed that these would be replaced by an extension of sectoral tariffs. The baseline scenario assumes continuity in the main geopolitical hotspots, excluding material shocks to energy, trade and value chains. It is assumed that the conflicts in the Middle East and Ukraine will not cause disruptions in the oil and natural gas markets, nor have a significantly greater negative impact than at present on confidence in Europe, and that tensions between China and Taiwan will not endanger microchip exports or lead to significant stress on supply chains. With regard to structural fiscal plans and budgets in the Euro Area, fiscal policy in the Euro Area is expected to become expansionary again in 2026, after remaining largely neutral in 2025. However, the fiscal easing will be concentrated mainly in Germany, where it is estimated at around one percentage point of GDP, while net borrowing will decline in France, Italy and Spain. In France, in light of recent positive developments, it is assumed that the budget will be approved within the early months of 2026, as in 2025. If the special law is applied temporarily, for no longer than a couple of months as in 2025, the effect on the deficit would be very small.

In the Euro Area, real GDP growth is projected at 1.4% in 2025 and 1.0% in 2026. In 2026, domestic demand will benefit from the completion of the transmission of monetary stimulus to the real economy and from fiscal policy support, although this will be almost entirely concentrated in Germany.

Inflation in the euro area is expected to be slightly below 2%. The fall in inflation will be influenced by energy prices: oil price projections remain largely unchanged from September over most of the forecast horizon, and higher OPEC production levels,

a relatively mild autumn and the emergence of a substantial market surplus are assumed to exert a moderating effect on prices. The risks to these projections appear balanced.
For Italy, the GDP growth projection in the baseline scenario (produced by the Research Department at the beginning of December 2025) is 0.5% for 2025 and 0.8% for 2026. The slight acceleration in 2026 is primarily driven by non-residential fixed investment, backed by digitalisation and investment in artificial intelligence, as well as private consumption. The contribution from the trade balance is projected to be negative, as in 2025. The unemployment rate is expected to remain stable in 2026, rising slightly thereafter due to a decline in the elasticity of employment to GDP growth. Residential property prices, which are expected to grow by just under 4% in 2025, are projected to slow in 2026, realigning in 2026-27 to a trend growth rate of 2%, which in real terms implies a slightly negative increase. The market momentum, particularly in terms of transaction growth, is underpinned by the decline in interest rates following the ECB's monetary policy easing and the recovery in household real income. Conversely, for now, demographic trends and the disparities related to geographical location and property type are having less of a negative effect on aggregate price dynamics.
For the United States, GDP growth in 2025 showed stronger resilience than expected. In 2026 growth is expected to remain at around the 2025 levels, supported by the effects of monetary easing and fiscal stimulus, which could be further boosted by an increasing contribution from the spread of AI. Uncertainty regarding the development of foreign trade has decreased following the agreements reached, primarily with China, in a context where the average effective tariff is still below the "theoretical" level (11.4% versus 16.8% in November). As a result, GDP growth is projected at 1.9% in 2025 and 1.8% in 2026.
As described in Part A - Section "A.2 - Main financial statement captions" of these Notes to the 2025 Annual Report, and in particular in the section "Impairment of assets", the methodology adopted by the Group includes taking into account alternative scenarios (best-case/worst-case), which mainly use external information (among others, the minimum and maximum forecasts of a fundamental variable such as GDP based on data from Consensus Economics). The upside and downside alternative scenarios were constructed using the standard methodology, derived from the highest and lowest GDP growth forecasts reported in the Consensus Economics survey published in November 2025.
For the upside scenario, higher productivity growth has been assumed over the three-year period, which could stem from a sharp increase in the rate of AI adoption in services. Those assumptions provide a scenario characterised by higher real growth rates, moderately higher inflation and a lower unemployment rate. The divergence in growth rates from the baseline scenario for Italy is initially immaterial before becoming steadily and increasingly positive. Interest rates are higher across all maturities: higher growth is expected to lead the ECB to raise interest rates already in 2026, and the interest rate on deposits is expected to rise above 3% already in 2027. Long-term rates are higher than in the baseline scenario, with a widening differential. Stock indices and property prices are notably more robust than in the baseline scenario.
For the worst-case scenario, a deviation from the baseline scenario is assumed from the first quarter of 2026, driven by negative surprises in economic growth and equity markets. Some additional shock factors have been introduced concerning an unexpected resurgence, starting from the first quarter of 2026, of tensions in the Middle East leading to an increase in risk premiums in the oil market, and repeated but temporary intensifications of tensions between China and Taiwan causing modest stress on supply chains from Asia. Under these assumptions, Euro Area GDP growth is estimated to be 0.7% lower on average over the period 2026-28. Italy has an average annual growth rate of around 0.7% lower than in the baseline scenario for 2026-28, with significant repercussions for the unemployment rate: 0.4 percentage points higher at the end of the period and, over the projection horizon, around half a percentage point lower than in the baseline scenario. Inflation is initially stronger as a result of negative supply shocks, but falls below the ECB's target in 2028, prompting the Central Bank to bring official interest rates into accommodative territory (1.50%). The more accommodative monetary conditions are partially passed on to long-term rates: the 10-year IRS rate is around 15 basis points lower than in the baseline scenario in 2026, and in 2028 the level is 19 basis points lower. Oil and natural gas prices are higher due to the supply contraction linked to tensions in the Middle East. Low GDP growth translates into a deteriorating debt-to-GDP ratio in several advanced economies, including Italy, leading to an increase in sovereign risk premiums in the period 2027-28 of around 20 basis points for Italy and 15 basis points for France.

ECL sensitivity analysis

The ECL, calculated in accordance with IFRS 9, was subject to sensitivity analysis aimed at analysing its variability with respect to the individual alternative scenarios in accordance with the ESMA recommendations. That analysis was conducted on a portfolio of performing loans (Stage 1 and Stage 2) relating to the scope representing the Group (which includes the banks and companies in Italy, Intesa Sanpaolo Bank Luxembourg (including the merged company Intesa Sanpaolo Bank Ireland), which represent around 90% of the Group's total exposure). Note that the approach adopted by the Group to estimate the ECL for the macroeconomic conditioning of PD and LGD involves the use of a ("Most Likely") baseline scenario which is then adjusted with an Add-On calculated based on the distance between the baseline scenario and the best-case/worst-case scenarios. These are largely determined from the selection of the most optimistic/pessimistic assumptions of the Consensus Economics macroeconomic variables and therefore incorporate the forecasts made. The sensitivity analysis is the difference between the ECL determined using the assumptions adopted for the alternative scenarios (best-case and worst-case) and the ECL derived from the model referred to above, which therefore already includes the alternative forecasts factored by means of their distance from the baseline scenario. Based on the above, and the fact that the distance between the worst-case and best-case scenarios compared to the baseline scenario is small, the application of the worst-case scenario would result in 1.4 billion euro of exposure sliding into Stage 2, an increase of around 53.1 million euro in the ECL, and a slight increase in the coverage ratio. On the other hand, the sensitivity of the portfolio to the best-case scenario would lead to a decrease of 39.9 million euro in the ECL, with a return to Stage 1 of 0.6 billion euro of exposures. The coverage ratio for performing exposures would remain essentially unchanged. In order to consider the greater uncertainty inherent in the forward-looking scenarios, the Group has included in the ECL of performing loans detected starting in the 2023 Financial Statements, an adjustment (referred to in the previous section and described in detail in Part E, Section 2 - Risks of the prudential consolidation - 1.1 Credit risk, of the Notes to the Consolidated Financial Statements) aimed at capturing those elements of uncertainty by considering assumptions from more extreme alternative scenarios that incorporate assumptions of significant deviations from the expected evolution of the macroeconomic framework. The adjustment for the extreme alternative scenarios, which resulted in an increase in the ECL of performing loans of around 210.5 million euro, is not incorporated in the sensitivity analysis described above. A further intervention of managerial adjustment to the results of the models, referred to in the section below, is aimed at capturing

vulnerabilities that affect the individual economic sectors asymmetrically, which are not captured by the models being used and, therefore, cannot be directly linked to the forward-looking components subject to sensitivity analysis.

Managerial adjustments to the results of the models (in-model and post-model)

With regard to the methodologies for estimating impairment losses on performing credit exposures, in certain circumstances adjustments may need to be applied to the valuations, related to particularly complex and volatile macroeconomic situations, compared to the results of the models adopted. This may arise as a result of new events or risks of an unexpected nature that were not observed in the time series used for the models and cannot be reliably projected for the purposes of the forward-looking component required by IFRS 9.

The framework adopted by the Group consists of the following complementary components:

– "Overlay from extreme scenarios": defined under the responsibility of the CRO Area, is aimed at identifying an estimated adjustment to possible risk scenarios currently not captured by the IFRS 9 modelling. In specific economic periods, like the current one, characterised by high volatility, the risk that the forward-looking scenario may diverge from the range represented by the baseline, best-case and worst-case scenarios underlying the "most likely+add on" model is higher. As a result, the Group has decided to use more extreme alternative scenarios that are generally detached from the current phase of the cycle compared to those already used for the calculation of the add-on incorporated in the models. The managerial adjustment, calculated from a "volatility cone" of the above scenarios compared to the baseline scenario, allows for the incorporation of greater uncertainty about the prospective trajectory of macroeconomic dynamics into the valuation of the credit exposures. This overlay also acts on the staging allocation, incorporating an adjustment to the "Significant Increase in Credit Risk" thresholds. This action allows the adjustment to be classified as an in-model adjustment, as it directly affects the PDs of the individual transactions for both ECL and staging purposes.
– "Overlay Climate Risk": in December 2025, the CRO Area developed a new approach for climate risk assessment aimed at incorporating its effect as an in-model adjustment in the risk parameters (PD and LGD), with a focus on loans to corporates and mortgages to individuals within the Core Scope. Specifically, the effects of Transition and Physical risk on the creditworthiness of companies are assessed by simulating the impact of climate risks on financial statements, as well as the impact of Acute Physical risks on the future value of the collateral for retail mortgages.
– "Risk sensitive overlay", defined by the CLO Area, strengthens the methodological framework for identifying vulnerabilities of specific portfolios (across sectors, geographies and rating classes) most exposed to impacts from structural and/or emerging risk factors or a combination of those factors. The current economic environment is characterised by crises that affect individual product sectors asymmetrically. In such cases, the current modelling, statistically based on macro-sectors, often fails to capture these differences. The valuation results derived from the models are therefore supplemented with industry, sector and management assessments derived from credit monitoring activities. This overlay therefore prioritises the information obtained from the credit quality monitoring processes, using a framework based on granular data capable of combining the risk profile assessment derived from traditional modelling with the assessment of industrial, sectoral, operational and managerial credit metrics derived from the management, monitoring, rating assignment and customer relationship management at local level. Within the risk-sensitive component, the emerging risks already identified at the initial stage ("Energy", "Supply Chain" and "Financial Tightening") continue to be considered, while the "Climate Risk" factor, added in December 2024, has been removed from December 2025, because it is quantified through the specific in-model adjustment mentioned above.

The redetermination of the overlays is carried out – based on the specific rules established for each component – on a quarterly basis. From December 2025, in addition to the above, the "Extreme Scenarios" and "Risk Sensitive" Overlays model was extended to the Banks of the International Banks Division in accordance with Group rules, with the simultaneous phasing out of the specific approaches applied by the individual Banks.

Overall, the adjustment allowances for performing exposures as at 31 December 2025 included management overlays of 0.9 billion euro relating to both on-balance sheet and off-balance sheet exposures. This figure does not include the additional provisions made on exposures to Russian and Ukrainian counterparties, relating to cross-border positions, and those of Banca Intesa Russia and Pravex, already described in Chapter 1.1 of this Part E.

2.4 Credit risk mitigation techniques

During the credit granting and management process, the acquisition of mitigating factors is encouraged for counterparties with non-investment grade ratings or for certain types of medium/long-term transactions.

The mitigating factors that have the greatest impact include pledges of financial assets and residential mortgages. Other forms of risk mitigation are pledges on non-financial assets and non-residential mortgages.

The strength of the personal guarantees issued by rated parties, typically banks/insurance companies, Credit Guarantee Consortia and corporations, is instead assessed on the basis of the type of guarantee and guarantor's credit quality.

Detailed processes govern the material acquisition of the individual collateral and guarantees, identifying the structure responsible as well as the methods for their correct completion, for archiving the documentation and for the complete and timely recording of the related information in the systems.

The set of internal regulations and organisational and procedural controls is aimed at ensuring that:

– all the requirements for the validity and effectiveness of credit protection are satisfied;
– a standard contractual framework is defined for guarantees and collateral of general and current use, accompanied by full instructions for its use;
– the methods for approving collateral and guarantee documents deviating from the standard by structures other than those in charge of commercial relations with the customer are identified.

The guidelines for the management of collateral and guarantees are the same for the entire Group. The management of collateral and guarantees received for the Parent Company and the Italian subsidiaries is carried out on a single platform, which is integrated with the register of assets and the portal that manages the immovable property valuations.

The granting of credit with the acquisition of collateral is subject to internal rules and processes – for the valuation of the asset, the acquisition of the collateral and the control of its value. The enforcement of the collateral is handled by specialist departments, which are responsible for credit recovery.
In any case, the presence of collateral does not grant exemption from an overall assessment of the credit risk, focused mainly on the borrower's ability to meet the obligations assumed, irrespective of the associated collateral.
Within the granting process, the assessment of the pledged collateral is based on the actual value, namely the market value for financial instruments listed on a regulated market, or, otherwise, the estimated realisable value. The resulting value is multiplied by the haircut percentage rates, differentiated according to the financial instruments accepted as collateral. For real-estate collateral, on the other hand, the property value[374] is considered, and for properties under construction, the construction cost is considered, net of prudential haircuts differentiated according to the intended use of the property.
Assets are appraised by internal and external appraisers/specialist providers. The specialist providers and external appraisers are included in a special list of companies and professionals (Register of Appraisers) accredited on the basis of an individual verification of their competencies, professionalism and experience. The valuation of residential properties used as collateral for mortgage loans to private individuals is mainly assigned to specialist providers. The quality and performance of the work of the appraisers is monitored on an ongoing basis, by means of statistical verifications and sample checks. A system is also in place for the review by the head office structures of the expert surveys for large-scale transactions.
The appraisers are required to produce estimates on the basis of standardised appraisal reports, differentiated according to the valuation method to be applied and the characteristics of the asset, in accordance with the Property Valuation rules for credit purposes drawn up by the Bank. The internal rules are consistent with the main supervisory regulations on property valuations, including, to name but a few, the “Guidelines for the valuation of real estate properties securing credit exposures” promoted by the Italian Banking Association, the EBA “Guidelines on Loan Origination and Monitoring”, the RICS “Global Valuation Standards” and the TEGoVA “European Valuation Standards”.
Property valuations are managed through a specific integrated platform covering the entire appraisal phase, ensuring that assignments are properly awarded, on an independent basis and according to objective criteria, the workflow is thoroughly monitored, valuation standards are correctly applied and all information and documents regarding real estate are kept.
The property value of the immovable property collateral is periodically recalculated through various statistical valuation methods, which make use of prices/coefficients provided by an external supplier with proven skills and a solid reputation for surveying and measuring the market prices of Italian real-estate assets.
Asset value is constantly monitored. The appraisers carry out inspections and verify the work progress for properties under construction. The valuation is duly updated in the event of restriction or splitting mortgage, of damage to the property, significant impairment losses reported by market indicators used to monitor fair value and, in any case, according to the due dates established for significant exposures, or when there are immovable properties securing non-performing loans.
In order to limit the risks of absence or termination of the protection, specific safeguards are in place, including: restoration of a pledge when the assets decrease below their initial value or, for immovable property collateral, the obligation of insurance cover against fire damage and the presence of adequate monitoring of the property’s value. There is also an “umbrella” insurance policy that, with limited exceptions, covers damages on the entire portfolio of properties mortgaged as collateral for the loans granted. Collateral and guarantees are subject to accurate, regular control using a specific system, the CRM engine, in which a series of tests have been implemented to confirm the effective compliance with the requirements set by prudential supervision regulations.
The support system verifies whether the collateral and guarantees received are eligible with regard to the methods permitted by the regulations in relation to the various categories of collateral and guarantees for calculating capital requirements (Standardised and Internal Rating Based). Based on the specifics of each category, the eligibility results are defined at the level of individual guarantee for unfunded guarantees (usually personal guarantees) or, for collateral, for each asset or financial instrument.
The Bank uses two integrated platforms and guarantee management systems (PGA – Active Guarantees Portal and ABS – System Assets Archive) in order to improve the efficiency of collateral management. This has been accompanied by the development of a specific system for managing bad loans, to track the main legal actions and particularly those relating to the enforcement of real estate collateral (EPC - Ex Parte Creditoris).

In order to mitigate the counterparty risk associated with OTC (i.e., unregulated) derivatives and SFTs (Securities Financing Transactions, i.e. repos/reverse repos and securities lending/borrowing), the Group uses bilateral netting arrangements that allow the netting of claims and obligations if a counterparty defaults.
This is achieved by entering into International Swap Derivatives Association (ISDA) and International Securities Market Association/Public Securities Association (ISMA/PSA) agreements, which also reduce the absorption of regulatory capital in accordance with supervisory provisions.
In addition, the Group has collateral exchange arrangements in place, mainly with daily frequency, to hedge OTC derivatives transactions (Credit Support Annex), also due to the margin requirements for non-centrally cleared derivatives, established by the European Market Infrastructure Regulation (EMIR); also for SFTs, the Bank implements daily margining arrangements (GMRAs - Global Master Repurchase Agreements and GMSLAs - Global Master Securities Lending Agreements).
To mitigate the exposure to counterparties, mainly corporate customers, and the volatility arising from credit adjustments to derivative valuations (CVAs - Credit Value Adjustments), the Bank also buys protection through credit default swaps, both on individual companies and credit indices.

In 2025, the Parent Company continued its activities relating to the “GARC” (Active Credit Risk Management) Project, involving a platform for monitoring credit risk of performing portfolios. The initiative involves the systematic acquisition of both personal guarantees and collateral to support lending to companies.
The guarantees obtained provide hedging of default risk (past due, unlikely to pay and bad loan) of granular portfolios and freeing up of economic and regulatory capital, as envisaged by the current Supervisory Regulations on the matter (including Regulation (EU) 575/2013 and Bank of Italy Circular 285/2013).

[374] In line with the provisions of CRR Articles 4(74a) and 495(f).

For details of the transactions carried out in 2025 under the GARC Project, see the description provided in paragraph C. Securitisations of this chapter.
To optimise capital absorption, credit risk hedging transactions have also been undertaken through financial guarantees and insurance policies on positions existing in the Group's Banking Book. Transactions hedging the risk of expropriation of the compulsory and unrestricted reserves of some of the Group banks operating in Egypt and Albania have also been renewed.

3. NON-PERFORMING CREDIT EXPOSURES

3.1 Management strategies and policies

On 27 March 2025, the annual revision of the Group NPL Plan, carried out based on the ECB Guidance to banks on non-performing loans, in line with the baseline macroeconomic scenario and the budget process, was produced for the Board of Directors. The 2022-2025 NPL Plan is consistent with both the 2022-2025 Business Plan, approved by the Board of Directors in February 2022, and the Risk Appetite Framework, and takes into account the observations and recommendations of the Supervisory Authority.
The Group NPL Plan represents the framework for the development of the Group's loan portfolio, focusing on non-performing exposures and establishing the targets, flows, adjustments, ratios and calendar provisioning impacts necessary to achieve the strategic objectives.
In the 2022-2025 Business Plan, the Group aimed to pursue a structural de-risking strategy, which was mostly launched during the previous Business Plan, placing it among the best in Europe in terms of non-performing loan ratio and stock and generating a net drop in the cost of risk.
Following the completion of several extraordinary de-risking transactions on specific portfolios during the year, the containment of the gross inflow of new non-performing loans from performing loans, and the classification of Intesa Sanpaolo Group's non-performing loan portfolios designated for forthcoming disposals under "Non-current assets held for sale and discontinued operations" for a gross amount of 1.9 billion euro, the Group exceeded its NPL deleveraging target of around 6 billion euro for the full four-year duration of the 2022-2025 Business Plan by around 1.7 billion euro.
At the end of 2025, non-performing loans before adjustments amounted to 7.6 billion euro, bringing the NPL ratio to 1.8% gross and 0.9% net, a significant improvement on December 2024. Based on the EBA methodology, the NPL ratio stood at 1.5% gross and 0.8% net. As already described above, this result was attributable to the ongoing de-risking initiatives (see also the introductory chapter of the Report on operations of the consolidated financial statements regarding the de-risking initiatives) together with low new inflows from performing loans, thanks to the results of the prevention initiatives.

Since November 2019, the Intesa Sanpaolo Group has adopted the New Definition of Default set out in the EBA Guidelines 2016/07 of 18/01/2017 on the application of the definition of default under Article 178 of Regulation 575/2013 (CRR), and in line with the additional clarifications introduced by Bank of Italy Circular 272. That definition of non-performing loans also coincides with the definition of "impaired" financial assets contained in IFRS 9, with the consequent recognition of all non-performing loans within Stage 3.
Intesa Sanpaolo Group adopts a "per borrower" approach in identifying non-performing exposures. Accordingly, the entire counterparty with credit relationship is assessed and subsequently classified, rather than the individual credit lines granted to that counterparty.

Based on the regulatory framework, according to the rules of the Bank of Italy, in line with IAS/IFRS and European Supervisory Regulations, supplemented by internal implementing rules, non-performing financial assets are classified into one of the three below mentioned categories, based on their level of severity:

– non-performing past due exposures: this category includes on-balance sheet exposures, other than those classified as bad loans or unlikely to pay that, as at the reporting date, are past due or overdrawn by over 90 days on a continuous basis. The total exposure to a debtor must be recognised as Past Due if, at the reference reporting date, the amount of the principal, interest and/or fees not paid when due exceeds both of the following thresholds (hereinafter, collectively, the "Relevance Thresholds"):
  - the absolute limit of 100 euro for retail exposures and of 500 euro for non-retail exposures (the "Absolute Threshold"), to be compared with the total amount past due from the borrower;
  - the relative limit of 1%, to be compared with the ratio of the total amount past due to the total amount of all on-balance sheet exposures to the same borrower (the "Relative Threshold");
– unlikely to pay: exposures for which – according to the judgement of the creditor bank – full repayment is deemed unlikely (in terms of capital or interest), without considering recourse to actions such as enforcement of collateral/guarantees. This assessment is conducted regardless of the presence of any amounts (or instalments) due and unpaid. As the assessment of unlikelihood of repayment is at the discretion of the Bank, it is not necessary to await an explicit symptom of anomaly (non-repayment), when there are elements that imply a risk of non-compliance by the borrower (for example, a crisis in the industrial sector in which the borrower operates). The overall on- and off-balance sheet exposures toward the same borrower in said situation is therefore classified under the category "Unlikely To Pay" (unless the conditions for classification of the borrower among bad loans exist). Loans classified as "Unlikely To Pay" should include exposures to issuers who have not regularly honoured their repayment obligations (in terms of capital or interest) relating to listed debt securities, unless they meet the conditions for classification as bad loans. To this end the "grace period" established by the contract is recognised or, in its absence, the period recognised by the market listing the security.
  The Intesa Sanpaolo Group Rules on Non-Performing Loans have also provided for a further classification within "unlikely to pay" exposures, identified as "forborne unlikely to pay", which includes counterparties that have at least one exposure subject to forbearance measures that are regularly respected or remain in the state of risk pending:
  a) the start of the regulatory "cure period" (minimum 12 months) or
  b) the occurrence of the conditions for returning to performing status as set out in the above-mentioned Rules;

– bad loans: on- and off-balance sheet exposures to borrowers in a state of insolvency (even when not recognised in a court of law) or in an essentially similar situation, regardless of any loss forecasts made by the Bank. Exposures whose anomalous situation may be attributed to Country risk are excluded from this category.

The type "exposures subject to concessions – forbearance" has also been established. These are exposures subject to renegotiation and/or refinancing due to financial difficulties (evident or in the process of becoming evident) of the debtor, which effectively constitute a subgroup of both non-performing exposures (non-performing exposures with forbearance measures) and performing exposures (other forborne exposures).

Non-performing exposures with forbearance measures do not represent a separate category of non-performing assets, rather, they are a sub-set of the above categories of non-performing assets.

Non-performing assets are subject to an assessment process resulting in the calculation of the expected loss for uniform categories (identified based on the risk status, duration of risk status and significance of the underlying exposure) and the allocation of the impairment adjustment for each position.

Non-performing loans are measured using two methods:

– analytical-statistical measurement: for exposures equal to or lower than certain thresholds, and for all non-performing past-due exposures, based on the use of specific LGD grids;
– specific analytical measurement: for exposures above certain thresholds based on write-down estimates defined by the relationship manager, following analyses and valuations based on pre-established criteria.

In addition to the assessment component determined through statistical valuation models or through individual expert evaluation, a component is calculated to take into account the evolution of the current operational variables, the future macroeconomic scenarios, the incremental risk of the counterparty as long as it remains in the specific risk status for unlikely-to-pay exposures (vintage), as well as the sales prospects if present.

The assessment of non-performing positions classified as assets held for sale is carried out based on the expected sales prices, less their costs to sell, supported by fairness opinions.

The assessment methods for non-performing loans are described in detail in Part A – Section "A.2 – Main financial statement captions" in these Notes to the consolidated financial statements and in particular in the paragraph "Impairment of non-performing financial assets", to which reference is made.

The assessments are carried out upon classification of the exposures as non-performing and are reviewed periodically.

The assessment of the loans is also reviewed whenever a new event occurs that could affect the prospects for recovery (e.g. change in the value of collateral, developments in ongoing litigation, etc.).

In order to timely identify such events, the information set relative to borrowers and guarantors is periodically monitored and the development of out-of-court agreements and the various phases of the judicial procedures under way are constantly monitored.

The management of the Group's non-performing loans may be carried out directly by the internal organisational structures or by/with external partners granted appropriate mandates (outsourcers), for which the Chief Lending Officer Governance Area performs a supervisory role in the management of the stocks and flows outsourced and acts as an interface for the approvals beyond the limits of the powers delegated to them and for administrative, technical and operational activities envisaged in the processes of interaction with the outsourcers. The internal organisational structures are identified, on the basis of pre-determined relevance thresholds, as the local organisational units (at regional level) that perform specialist activities, or within the Head Office Departments, which are also responsible for the overall management and coordination of these matters.

The classification of positions to non-performing is performed on proposal of both territorial structures, owners of the commercial relationship, or of specialised central and local territorial structures in charge of the monitoring and recovery of non-performing loans. Classification may also be performed through automatic mechanisms when predefined objective default conditions arise. This refers, for example, to past-due loans continuously above certain thresholds for certain periods and forborne performing positions (performing forborne positions originating from non-performing forborne positions) that have not yet completed their 24-month probation period, if they meet the conditions envisaged by the applicable regulations for their reallocation to non-performing loans, based on the verification of objective parameters and, specifically, for transactions already designated as forborne, so-called reiteration (i.e. the granting of a further forbearance measure) and/or continuously over 30 days past due above certain thresholds, and transactions subject to distressed restructuring, granted on performing positions with a loss exceeding 1%.

Furthermore, automatic mechanisms detect any mismatches, thereby ensuring that material non-performing loans to counterparties shared between the Group's various entities are subject to the required uniform convergence of management decisions. Materiality is represented by exceeding a pre-established warning threshold for loans classified as at the greatest risk, with respect to the overall exposure.

Automatic mechanisms within the system also ensure that positions are allocated to the risk status most representative of their creditworthiness (bad loans excluded) as material default continues.

The return to performing status of non-performing exposures is governed by the Supervisory Authority and specific internal regulations, and takes place on the proposal of the structures responsible for their management, upon verification that the critical conditions or state of default no longer exist.

Non-performing past-due exposures and unlikely to pay exposures, not subject to forbearance measures must continue to be classified as such for at least 3 months after they cease to meet the requirements for being classified as such. During this probation period the counterparty's conduct must be assessed in light of its financial situation (in particular, by verifying the absence of amounts past due exceeding the relevance thresholds).

For counterparties classified as forborne unlikely-to-pay, the application of the cure period of at least 12 months shall prevail. At the end of this period, the position may be reclassified as performing, provided that there are no past due exposures of the borrower and the borrower has repaid a significant amount of the principal or interest and, more generally, the criteria for the counterparties returning to performing status are met.

Exposures classified as past-due return automatically to performing when the above-mentioned 90-day probation period has passed. The same mechanism is applied to exposures of small amounts previously automatically classified as unlikely to pay when automatic mechanisms detect that the conditions that triggered the classification no longer apply.

The Internal Validation & Controls Coordination Area of the Chief Risk Officer Governance Area carries out level II controls on single counterparties in the various statuses of non-performing loan, randomly selected mainly with risk-based criteria in order to verify their proper classification and provisioning, as well as the adequacy of the management and recovery processes.

3.2 Write-offs

Lastly, with regard to non-performing loans, it is highlighted that the Intesa Sanpaolo Group uses the – full or partial – write-off/derecognition of unrecoverable accounting positions and, in the following cases, the consequent allocation to loss of the remainder that has not yet been adjusted:

– uncollectability of the debt, as a result of definite and precise elements (such as, for example, untraceability and indigence of the debtor, lack of recovery from realisation of securities and real estate, negative foreclosures, bankruptcy proceedings closed with no full compensation for the Bank, if there are no further guarantees that can be enforced etc.);
– waiver of the credit claim, due to the unilateral cancellation of the debt or residual amount as a result of settlement agreements;
– no waiver of the credit claim. With regard to the full or partial write-offs without waiver of the credit claim, in order to avoid maintaining loans on the balance sheet that have a very low possibility of recovery, despite continuing to be managed by the recovery structures, they are fully or partially written off due to uncollectability even if the legal proceedings have not been closed. The write-off can only involve the portion of the loan covered by provisions and, therefore, each loan can only be written off up to the amount of its net book value. Therefore, on a periodic basis, the Group identifies the bad loan portfolios to be subject to total or partial write-offs with the following macro-characteristics:
    - percentage cover of 100% and a vintage (understood as the period of time in "bad loan" status) of >1 year;
    - percentage cover of >95% and a vintage (understood as the period of time in "bad loan" status) of >5 years or >8 years, respectively, for non-mortgage and mortgage loans.

Portfolios to be written off can also be identified that have similar characteristics that are different from those indicated above, but that relate to exposures that have a marginal possibility of recovering the amount of the provision, where the minimum amount of the provision (calculated taking into account the accumulated write-offs on the position, according to the same rule established at prudential level by the calendar provisioning framework) is at least equal to the amount needed to bring the value of the exposures up to their fair value estimated based on the prices recorded in the latest sales of bad loans made by the Group.

In 2025, the Group carried out write-offs on gross non-performing loans for around 869 million euro. Of these, around 741 million euro regarded bad loans, for the most part using the allowance already set aside. More than 86% of these write-offs related to derecognised positions that are still subject to enforcement procedures, for which any recoveries from collections after the write-off will be recognised in the income statement as recoveries.

3.3 Purchased or originated credit-impaired financial assets

According to IFRS 9, loans considered as impaired already upon initial recognition in the financial statements, due to the high credit risk associated with them, are defined as Purchased or Originated Credit Impaired Assets (POCI). If these loans fall within the scope of impairment in accordance with IFRS 9, they are valued by allocating allowances - from the date of initial recognition - to cover losses for the entire residual life of the loan (lifetime Expected Credit Loss). Since these are non-performing loans, they are initially recognised within Stage 3, subject to the possibility of being classified, over the course of their lives, to Stage 2 if, based on the credit risk analysis, they are identified as no longer being impaired.
POCI loans recorded in the Group's financial statements may derive from single renegotiations of non-performing exposures carried out as part of routine lending activity or be recognised following business combinations. With regard to the latter case, the acquisition of the former UBI Group during 2020 resulted in the recognition of a significant portfolio of non-performing loans, which, therefore, were initially recognised as POCI pursuant to IFRS 9 and posted in the financial statements at the fair value determined on Purchase Price Allocation, as the initial recognition value. More in detail, at the acquisition date (4 August 2020), the accounting records of the UBI Group had gross non-performing loans amounting to around 6.5 billion euro (8 billion euro in terms of credit claim). In light of the sales already carried out, the POCI loans referring to the former UBI Group recognised in the Parent Company's financial statements as at 31 December 2025 remain under assets measured at amortised cost for substantially residual amounts and further reduced compared to the end of 2024, totalling 66 million euro, consisting of 21 million euro of non-performing loans and 45 million euro of performing positions (total of 131 million euro, with 78 million euro of non-performing loans and 53 million euro of performing loans, as at 31 December 2024).

4. COMMERCIAL RENEGOTIATED FINANCIAL ASSETS AND FORBORNE EXPOSURES

Forbearance measures are concessions made to a borrower that is facing, or could face, situations of difficulty in meeting their contractual commitments that would prevent them from meeting their original payment obligations (troubled debt).
The term "forbearance measures" indicates contractual modifications granted to the borrower undergoing financial difficulties (modification), as well as the disbursement of a new loan in order to satisfy the pre-existing obligation (refinancing). "Forbearance measures" include the exercise of clauses, which may be freely requested by a borrower with regard to a contract already signed, but only if the lender deems that there are circumstances indicating that the borrower is in financial difficulty (the so-called "embedded forbearance clauses"). The concept of "forborne" therefore does not include renegotiations carried out due to commercial reasons/practices, which do not take into account the financial difficulties of the borrower.
In many cases, a situation of financial difficulty is accompanied by a situation of economic instability of the borrower, consisting of the inability of the core business to remunerate all the production factors that the company needs, through the usual sources of cash flow and at normal market conditions.
The identification of "forborne assets" or "forborne exposures", in line with the provisions of the EBA regulations and unlike the "per borrower" approach used by the Intesa Sanpaolo Group for the classification of non-performing exposures, necessarily takes place on a "per transaction" basis. The term "exposure" in this context refers to the renegotiated individual contract, rather than to all the exposures to the same borrower.
More generally, Intesa Sanpaolo Group's policy, based on the instructions provided by the Supervisory Authorities, envisages criteria for the identification of the financial difficulty (of the performing borrower) which, in the event of renegotiation/refinancing, entail the classification of one (or more) credit line(s) as forborne, if at least one of the following conditions applies:

– a significant deterioration in the debtor's rating identified in the previous three months;
– detection within the proactive credit processes identified at the measurement date or over the previous three months;
– past due beyond the materiality thresholds for over thirty consecutive days in the last three months or for more than twenty days as at the measurement date;
– Early Warning System (EWS) result, associated with a risky level.

A state of financial difficulty is always assumed in the case where the borrower is classified as non-performing.
The definition of forborne exposure applies transversally to the classification macro-categories (performing and non-performing). Forborne assets may be included in stage 2 (performing) or stage 3 (non-performing – forborne non-performing).
The forbearance measures granted are monitored for minimum predefined periods, differentiated based on the administrative status of the risk assigned to the counterparty. In detail:

– 24 months for performing positions (probation period);
– 36 months for positions classified as non-performing, represented by a cure period of 12 months and a probation period of an additional 24 months.

When a forbearance measure is granted to a performing counterparty, quantitative assessments (diminished financial obligation indicator set at 1%) and/or qualitative assessments are performed, as envisaged in the EBA Guidelines on the application of the definition of default pursuant to Article 178 of Regulation (EU) 575/2013, which could result in the possible classification to non-performing.
According to Intesa Sanpaolo Group's interpretations, the identification of an exposure as forborne necessarily implies the existence of a "significant increase" in risk since the origination of the loan (and, therefore, implies also a classification in Stages 2 or 3 at the time of assignment of the forborne status).
Unlike the forbearance measures, which relate to loans to borrowers in financial difficulty, renegotiations for commercial reasons involve borrowers that are not in financial difficulty and include all transactions aimed at adjusting the cost of the debt to market conditions.
Transactions involving commercial renegotiations result in a change in the original conditions of the contract, usually requested by the borrower, which normally relate to aspects concerning the cost of the debt (or its duration), with a consequent economic benefit for the borrower. In general, whenever the Bank carries out a renegotiation to avoid losing its customer, that renegotiation should be considered as substantial because, if it were not carried out, the customer would borrow from another intermediary and the bank would incur a decrease in expected future revenues.
These operations, under certain conditions, are treated for accounting purposes as an early repayment of the original debt and the opening of a new loan.

QUANTITATIVE INFORMATION

A. CREDIT QUALITY

For the purposes of quantitative information about credit quality, the term "credit exposures" is understood to exclude equities and quotas of UCI.
The term "on-balance sheet credit exposures" refers to all the on-balance sheet financial assets due from banks or customers, irrespective of the accounting portfolio they are allocated to (measured at fair value through profit or loss, measured at fair value through other comprehensive income, measured at amortised cost, or discontinued financial assets). On demand receivables due from banks and central banks come under the definition of on-balance sheet exposures but by convention are not included in the tables in Section 1, except in specifically identified cases where they must be considered.
The term "off-balance sheet exposures" refers to all the financial transactions that are not on the balance sheet (guarantees given, revocable and irrevocable commitments, derivatives, etc.) but entail the assumption of credit risk, regardless of the purpose of those transactions (trading, hedging, etc.). The off-balance sheet credit exposures also include the counterparty risk associated with any securities lending transactions. Also worth noting is the counterparty risk associated with exposures relating to repurchase agreements, transactions involving the granting or assumption of goods on loan, and loans with margins falling within the notion of securities financing transactions defined by the prudential regulations, is also reported.
Non-performing credit exposures (on-balance sheet and off-balance sheet) do not include financial assets held for trading and hedging derivatives, which are therefore normally recognised as performing credit exposures.

A.1. Performing and non-performing credit exposures: amounts, adjustments, changes and economic breakdown

A.1.1. Prudential consolidation - Breakdown of financial assets by past-due brackets (book value)

(millions of euro)

Portfolios/risk stages		STAGE 1			STAGE 2			STAGE 3			PURCHASED OR ORIGINATED CREDIT-IMPAIRED		
		Between 1 and 30 days	Between 30 and 90 days	Over 90 days	Between 1 and 30 days	Between 30 and 90 days	Over 90 days	Between 1 and 30 days	Between 30 and 90 days	Over 90 days	Between 1 and 30 days	Between 30 and 90 days	Over 90 days
1. Financial assets measured at amortised cost		1,442	137	231	749	287	86	233	180	2,389	5	4	16
2. Financial assets measured at fair value through other comprehensive income		-	-	-	-	-	-	-	-	5	-	-	-
3. Non-current financial assets held for sale		-	-	-	-	-	-	10	3	319	-	-	18
Total	**31.12.2025**	**1,442**	**137**	**231**	**749**	**287**	**86**	**243**	**183**	**2,713**	**5**	**4**	**34**
Total	**31.12.2024**	**1,540**	**208**	**246**	**758**	**352**	**173**	**246**	**196**	**2,815**	**10**	**1**	**84**

The values of assets more than 90 days past due, relating to exposures classified in stage 1 and 2 refer to loans that do not meet the conditions to be classified under non-performing past due exposures (below the materiality threshold).

A.1.2. Prudential consolidation – Financial assets, commitments to disburse funds and financial guarantees given: changes in total adjustments and total provisions

(millions of euro)

Reasons/risk stages	TOTAL ADJUSTMENTS											
	Stage 1 assets						Stage 2 assets					
	On demand due from banks and Central Banks	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Non-current financial assets held for sale	*of which: individual impairment losses*	*of which: collective impairment losses*	On demand due from banks and Central Banks	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Non-current financial assets held for sale	*of which: individual impairment losses*	*of which: collective impairment losses*
Total opening adjustments	**-**	**582**	**23**	**-**	***605***	**-**	**-**	**1,701**	**14**	**-**	***1,715***	**-**
Changes in increase from financial assets acquired or originated	-	261	13	-	*274*	-	-	14	-	-	*14*	-
Cancellations other than write-offs	-	-78	-8	-	*-86*	-	-	-105	-7	-	*-112*	-
Net value adjustments / write-backs for credit risk	-	-186	-	-	*-186*	-	-	-205	17	-	*-188*	-
Contractual changes without cancellations	-	6	-	-	*6*	-	-	24	-	-	*24*	-
Changes in the estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs non recorded directly in the income statement	-	-	-	-	-	-	-	-	-	-	-	-
Other variations	-	-9	-1	-	*-10*	-	7	-15	-	-	*-8*	-
Total closing adjustments	**-**	**576**	**27**	**-**	***603***	**-**	**7**	**1,414**	**24**	**-**	***1,445***	**-**
Recoveries from financial assets subject to write-off	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs recorded directly in the income statement	-	-	-	-	-	-	-	-	-	-	-	-

(millions of euro)

Reasons/risk stages	TOTAL ADJUSTMENTS											
	Stage 3 assets						Purchased or originated credit-impaired financial assets					
	On demand due from banks and Central Banks	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Non-current financial assets held for sale	*of which: individual impairment losses*	*of which: collective impairment losses*	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Non-current financial assets held for sale	*of which: individual impairment losses*	*of which: collective impairment losses*
Total opening adjustments	**-**	**4,780**	**40**	**287**	***5,107***	**-**	**77**	**-**	**1**	***78***	**-**
Changes in increase from financial assets acquired or originated	-	2	-	-	*2*	-	X	X	X	*X*	*X*
Cancellations other than write-offs	-	-2,143	-	-285	*-2,428*	-	-67	-	-1	*-68*	-
Net value adjustments / write-backs for credit risk	-	1,910	-	-	*1,910*	-	3	-	-	*3*	-
Contractual changes without cancellations	-	15	-	-	*15*	-	-	-	-	-	-
Changes in the estimation methodology	-	-	-	-	-	-	-	-	-	-	-
Write-offs non recorded directly in the income statement	-	-791	-	-2	*-793*	-	-9	-	-	*-9*	-
Other variations	-	14	-	1,343	*1,357*	-	30	-	46	*76*	-
Total closing adjustments	**-**	**3,787**	**40**	**1,343**	***5,170***	**-**	**34**	**-**	**46**	***80***	**-**
Recoveries from financial assets subject to write-off	-	35	-	-	*35*	-	-	-	-	-	-
Write-offs recorded directly in the income statement	-	-54	-	-	*-54*	-	-13	-	-	*-13*	-

A.1.2. Prudential consolidation – Financial assets, commitments to disburse funds and financial guarantees given: changes in total adjustments and total provisions – continued –

(millions of euro)

Reasons/risk stages	TOTAL PROVISIONS ON COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES GIVEN				TOTAL
	Stage 1	Stage 2	Stage 3	Commitments to disburse funds and financial guarantees given impaired purchased or originated	
Total opening adjustments	**178**	**97**	**327**	**-**	**8,107**
Changes in increase from financial assets acquired or originated	27	3	-	-	**320**
Cancellations other than write-offs	-6	-9	-3	-	**-2,712**
Net value adjustments / write-backs for credit risk	-12	20	80	-	**1,627**
Contractual changes without cancellations	-	-	-	-	**45**
Changes in the estimation methodology	-	-	-	-	**-**
Write-offs non recorded directly in the income statement	-	-	-	-	**-802**
Other variations	15	-6	-	-	**1,424**
Total closing adjustments	**202**	**105**	**404**	**-**	**8,009**
Recoveries from financial assets subject to write-off	-	-	-	-	**35**
Write-offs recorded directly in the income statement	-	-	-	-	**-67**

The Intesa Sanpaolo Group does not use the simplified method for the valuation of the loss allowance in relation to trade receivables, contract assets and lease receivables (method envisaged by IFRS 9, paragraph 5.5.15).

A.1.3. Prudential consolidation – Financial assets, commitments to disburse funds and financial guarantees given: transfers between stages of credit risk (gross and nominal amounts)

(millions of euro)

Portfolios/risk stages	GROSS AMOUNTS/NOMINAL VALUE					
	Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3	
	To Stage 2 from Stage 1	To Stage 1 from Stage 2	To Stage 3 from Stage 2	To Stage 2 from Stage 3	To Stage 3 from Stage 1	To Stage 1 from Stage 3
1. Financial assets measured at amortised cost	20,672	12,454	2,350	393	1,079	73
2. Financial assets measured at fair value through other comprehensive income	599	63	-	-	-	-
3. Non-current financial assets held for sale	-	-	-	-	-	-
4. Commitments to disburse funds and financial guarantees given	16,341	7,235	125	23	190	10
Total 31.12.2025	**37,612**	**19,752**	**2,475**	**416**	**1,269**	**83**
Total 31.12.2024	**31,501**	**17,941**	**1,838**	**383**	**1,767**	**95**

On 16 December 2022, the EBA repealed the Guidelines on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis, contained in EBA/GL/2020/07, with effect from 1 January 2023, following the change in the scenario related to the pandemic. However, the Bank of Italy, in the communication dated 14 March 2023, requested that certain financial statement disclosures be maintained, in free format, on transfers between the various credit risk stages which involved the loans subject to public guarantees issued in response to the COVID-19 situation.

In that regard, it is noted that the loans subject to COVID-19 public guarantees measured at amortised cost that were transferred from stage 1 to stage 2 in 2025 amounted to 653 million euro, while those transferred from stage 2 to stage 1 amounted to 320 million euro. Transfers from stage 2 to stage 3 amounted to 192 million euro, from stage 3 to stage 2 amounted to 8 million euro, from stage 1 to stage 3 amounted to 195 million euro and, lastly, from stage 3 to stage 1 amounted to 2 million euro.

A.1.4. Prudential Consolidation – On- and off-balance sheet credit exposures to banks: gross and net values

(millions of euro)

Type of exposure/amounts	Gross exposure					Total adjustments and total provisions for credit risk					Net exposure	Total partial write-offs
		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
A. ON-BALANCE SHEET EXPOSURES												
A.1 ON DEMAND	**33,251**	**32,214**	**1,037**	**-**	**-**	**-7**	**-**	**-7**	**-**	**-**	**33,244**	**-**
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	33,251	32,214	1,037	X	-	-7	-	-7	X	-	33,244	-
A.2 OTHERS	**63,062**	**59,689**	**277**	**53**	**-**	**-36**	**-10**	**-7**	**-19**	**-**	**63,026**	**-**
a) Bad loans	3	X	-	3	-	-3	X	-	-3	-	-	-
- of which: forborne exposures	-	*X*	-	-	-	-	*X*	-	-	-	-	-
b) Unlikely to pay	50	X	-	50	-	-16	X	-	-16	-	34	-
- of which: forborne exposures	*48*	*X*	-	*48*	-	*-15*	*X*	-	*-15*	-	*33*	-
c) Non-performing past due exposures	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	*X*	-	-	-	-	*X*	-	-	-	-	-
d) Performing past due exposures	1	1	-	X	-	-	-	-	X	-	1	-
- of which: forborne exposures	-	-	-	*X*	-	-	-	-	*X*	-	-	-
e) Other performing exposures	63,008	59,688	277	X	-	-17	-10	-7	X	-	62,991	-
- of which: forborne exposures	-	-	-	*X*	-	-	-	-	*X*	-	-	-
TOTAL (A)	**96,313**	**91,903**	**1,314**	**53**	**-**	**-43**	**-10**	**-14**	**-19**	**-**	**96,270**	**-**
B. OFF-BALANCE SHEET EXPOSURES												
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	48,327	36,563	460	X	-	-86	-86	-	X	-	48,241	-
TOTAL (B)	**48,327**	**36,563**	**460**	**-**	**-**	**-86**	**-86**	**-**	**-**	**-**	**48,241**	**-**
TOTAL (A+B)	**144,640**	**128,466**	**1,774**	**53**	**-**	**-129**	**-96**	**-14**	**-19**	**-**	**144,511**	**-**

A.1.5. Prudential Consolidation – On- and off-balance sheet credit exposures to customers: gross and net values

(millions of euro)

Type of exposure/Amounts	Gross exposure					Total adjustments and total provisions for credit risk					Net Exposure	Total partial write-offs
		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
A. ON-BALANCE SHEET EXPOSURES												
a) Bad loans	3,703	X	-	3,631	70	-2,669	X	-	-2,621	-47	1,034	1,135
- of which: forborne exposures	*841*	*X*	*-*	*815*	*26*	*-610*	*X*	*-*	*-595*	*-15*	*231*	*160*
b) Unlikely to pay	6,128	X	-	6,017	64	-2,464	X	-	-2,400	-30	3,664	301
- of which: forborne exposures	*2,016*	*X*	*-*	*1,978*	*38*	*-800*	*X*	*-*	*-786*	*-14*	*1,216*	*49*
c) Non-performing past due exposures	452	X	-	451	1	-130	X	-	-130	-	322	-
- of which: forborne exposures	*36*	*X*	*-*	*36*	*-*	*-9*	*X*	*-*	*-9*	*-*	*27*	*-*
d) Performing past due exposures	3,095	1,823	1,229	X	5	-121	-13	-108	X	-	2,974	-
- of which: forborne exposures	*222*	*-*	*221*	*X*	*-*	*-18*	*-*	*-18*	*X*	*-*	*204*	*-*
e) Other performing exposures	569,619	521,662	35,208	X	69	-1,906	-580	-1,323	X	-3	567,713	-
- of which: forborne exposures	*4,067*	*-*	*4,049*	*X*	*8*	*-209*	*-*	*-208*	*X*	*-1*	*3,858*	*-*
TOTAL (A)	**582,997**	**523,485**	**36,437**	**10,099**	**209**	**-7,290**	**-593**	**-1,431**	**-5,151**	**-80**	**575,707**	**1,436**
B. OFF-BALANCE SHEET EXPOSURES												
a) Non-performing	1,966	X	-	1,954	-	-404	X	-	-404	-	1,562	-
b) Performing	302,024	248,872	21,342	X	1	-221	-116	-105	X	-	301,803	-
TOTAL (B)	**303,990**	**248,872**	**21,342**	**1,954**	**1**	**-625**	**-116**	**-105**	**-404**	**-**	**303,365**	**-**
TOTAL (A+B)	**886,987**	**772,357**	**57,779**	**12,053**	**210**	**-7,915**	**-709**	**-1,536**	**-5,555**	**-80**	**879,072**	**1,436**

The captions in the tables include the dealings between the Banking Group and other non-banking companies included within the scope of consolidation that amounted to:
– 8,584 million euro, adjusted by 9 million euro, included among gross performing on-balance sheet exposures to customers;
– 19 million euro, adjusted by 3 million euro, included among gross non-performing off-balance sheet exposures to customers;
– 7,468 million euro, adjusted by 52 million euro, included among gross performing off-balance sheet exposures to customers.
The exposures also include financial assets allocated to the assets held for sale accounting portfolio.

The On- and off-balance sheet credit exposures to customers classified as stage 2 mainly include the positions for which a change (behind specific thresholds) was found in the lifetime probability of default compared to the time of initial recognition of the financial instrument in the financial statements. For the purpose of classification in stage 2 – without prejudice to the materiality thresholds identified by the regulations - exposures that are past due by at 30 days or subject to forbearance measures are important. Activating a forbearance measure implies a minimum probation period of 24 month in Stage 2. Moreover, for the centralised scope (main Italian companies and international corporate banks), some of the indicators from the credit monitoring systems are considered for the purposes of the transfer between stages (early warning systems). Where signals of high risk (traffic light results) are identified for at least three consecutive months by such systems, a perimeter of potentially riskier counterparties is defined, to be classified in Stage 2.
To complement the above methodology, a “relative” threshold has also been established (tripling of lifetime PD at the observation date compared to the lifetime PD at the initial recognition date), which acts on a residual basis compared to the main methodology, i.e. the change in the lifetime probability of default. Therefore, if this threshold is exceeded, the position is automatically classified to Stage 2. In order to avoid the “sliding” into Stage 2 of particularly high credit quality positions, the threshold is only triggered for non-investment grade loans and securities, identified considering the definitions within the Group.

Lastly, there were staging allocation affects within the in-model adjustments, linked to the identification of “extreme” scenarios and the incorporation of the climate risk effect, and within the post-model adjustment aimed at capturing the effects on the portfolios most vulnerable to emerging risk factors.

The gross amount of loans subject to COVID-19 public guarantees as at 31 December 2025 came to 8,235 million euro, including the non-performing financial assets allocated to the assets held for sale accounting portfolio (amounting to 60 million euro). The aggregate comprised performing exposures of 7,282 million euro gross, with 25 million euro in adjustments and non-performing exposures of 953 million euro gross, with 325 million euro in adjustments. Performing exposures are broken down

into (i) performing past due loans for 77 million euro gross, with 2 million euro in adjustments and (ii) performing loans not past due for 7,205 million euro gross, with 23 million euro in adjustments.

A.1.6. Prudential Consolidation – On-balance sheet credit exposures to banks: changes in gross non-performing exposures

(millions of euro)

Reasons/Categories	Bad loans	Unlikely to pay	Non-performing past due exposures
A. Initial gross exposure	**4**	**72**	**-**
- of which: exposures sold not derecognised	-	-	-
B. Increases	**-**	**3**	**-**
B.1 inflows from performing exposures	-	-	-
B.2 inflows from purchased or originated credit-impaired financial assets	-	-	-
B.3 transfers from other non-performing exposures categories	-	-	-
B.4 changes in contracts without derecognition	-	-	-
B.5 other increases	-	3	-
- of which: business combinations			
C. Decreases	**-1**	**-25**	**-**
C.1 outflows to performing exposures	-	-	-
C.2 write-offs	-	-	-
C.3 collections	-1	-24	-
C.4 profits on disposal	-	-	-
C.5 losses on disposal	-	-	-
C.6 transfers to other non-performing exposure categories	-	-	-
C.7 changes in contracts without derecognition	-	-	-
C.8 other decreases	-	-1	-
D. Final gross exposure	**3**	**50**	**-**
- of which: exposures sold not derecognised	-	-	-

A.1.6. Bis Prudential Consolidation – On-balance sheet credit exposures to banks: changes in gross forborne exposures broken down by credit quality

(millions of euro)

Description/Quality	Forborne exposures: non-performing	Forborne exposures: performing
A. Initial gross exposure	**71**	**-**
- of which: exposures sold not derecognised	-	-
B. Increases	**1**	**-**
B.1 inflows from non-forborne performing exposures	-	-
B.2 inflows from forborne performing exposures	-	X
B.3 inflows from non-performing forborne exposures	X	-
B.4 inflows from forborne non-performing exposures	-	-
B.5 other increases	1	-
C. Decreases	**-24**	**-**
C.1 outflows to non-forborne performing exposures	X	-
C.2 outflows to forborne performing exposures	-	X
C.3 outflows to non-performing forborne exposures	X	-
C.4 write-offs	-	-
C.5 collections	-23	-
C.6 profits on disposal	-	-
C.7 losses on disposal	-	-
C.8 other decreases	-1	-
D. Final gross exposure	**48**	**-**
- of which: exposures sold not derecognised	-	-

A.1.7. Prudential Consolidation – On-balance sheet credit exposures to customers: changes in gross non-performing exposures

(millions of euro)

Reasons/Categories	Bad loans	Unlikely to pay	Non-performing past due exposures
A. Initial gross exposure	**3,871**	**5,775**	**516**
- of which: exposures sold not derecognised	*21*	*285*	*148*
B. Increases	**2,000**	**4,149**	**571**
B.1 inflows from performing exposures	356	3,357	535
B.2 inflows from purchased or originated credit-impaired financial assets	-	-	-
B.3 transfers from other non-performing exposures categories	1,454	330	12
B.4 changes in contracts without derecognition	-	1	-
B.5 other increases	190	461	24
C. Decreases	**-2,168**	**-3,796**	**-635**
C.1 outflows to performing exposures	-23	-423	-68
C.2 write-offs	-741	-127	-1
C.3 collections	-594	-939	-79
C.4 profits on disposal	-178	-372	-2
C.5 losses on disposal	-2	-4	-
C.6 transfers to other non-performing exposure categories	-18	-1,347	-431
C.7 changes in contracts without derecognition	-	-11	-
C.8 other decreases	-612	-573	-54
D. Final gross exposure	**3,703**	**6,128**	**452**
- of which: exposures sold not derecognised	*85*	*1,205*	*145*

The “other increases” mainly include the increases in the amounts for charges and the increase in the amounts in foreign currency due to changes in the exchange rate.
The “other decreases” mainly include the portfolio of loans classified as “bad loans” and “unlikely to pay” sold during the year.

A.1.7. Bis Prudential Consolidation – On-balance sheet credit exposures to customers: changes in gross forborne exposures broken down by credit quality

(millions of euro)

Reasons/Quality	Forborne exposures: non-performing	Forborne exposures: performing
A. Initial gross exposure	**3,166**	**4,465**
- of which: exposures sold not derecognised	*93*	*820*
B. Increases	**1,376**	**2,701**
B.1 inflows from non-forborne performing exposures	195	2,243
B.2 inflows from forborne performing exposures	751	X
B.3 inflows from non-performing forborne exposures	X	234
B.4 inflows from forborne non-performing exposures	150	1
B.5 other increases	280	223
C. Decreases	**-1,649**	**-2,877**
C.1 outflows towards non-forborne performing exposures	X	-1,154
C.2 outflows towards forborne performing exposures	-234	X
C.3 outflows towards non-performing forborne exposures	X	-751
C.4 write-offs	-143	-
C.5 collections	-405	-793
C.6 profits on disposal	-276	-
C.7 losses on disposal	-4	-
C.8 other decreases	-587	-179
D. Final gross exposure	**2,893**	**4,289**
- of which: exposures sold not derecognised	*155*	*576*

The “other increases” mainly include the increases in the amounts for charges.
The “other decreases” mainly include the portfolio of loans classified as “bad loans” and “unlikely to pay” sold during the year.

A.1.8 Prudential Consolidation – On-balance sheet non-performing credit exposures to banks: changes in total adjustments

(millions of euro)

Reasons/Categories	BAD LOANS		UNLIKELY TO PAY		NON-PERFORMING PAST DUE EXPOSURES	
	Total	*of which: forborne exposures*	Total	*of which: forborne exposures*	Total	*of which: forborne exposures*
A. Initial total adjustments	**4**	**-**	**13**	***13***	**-**	**-**
- of which: exposures sold not derecognised	-	-	-	-	-	-
B. Increases	**1**	**-**	**5**	***4***	**-**	**-**
B.1 adjustments to purchased or originated credit-impaired assets	-	*X*	-	*X*	-	*X*
B.2 other adjustments	-	-	5	4	-	-
B.3 losses on disposal	-	-	-	-	-	-
B.4 transfers from other non-performing exposures categories	-	-	-	-	-	-
B.5 changes in contracts without derecognition	-	-	-	-	-	-
B.6 other increases	1	-	-	-	-	-
C. Decreases	**-2**	**-**	**-2**	**-2**	**-**	**-**
C.1 recoveries on impairment losses	-	-	-2	-2	-	-
C.2 recoveries on repayments	-2	-	-	-	-	-
C.3 profits on disposal	-	-	-	-	-	-
C.4 write-offs	-	-	-	-	-	-
C.5 transfers to other non-performing exposure categories	-	-	-	-	-	-
C.6 changes in contracts without derecognition	-	-	-	-	-	-
C.7 other decreases	-	-	-	-	-	-
D. Final total adjustments	**3**	**-**	**16**	**15**	**-**	**-**
- of which: exposures sold not derecognised	-	-	-	-	-	-

A.1.9 Prudential Consolidation – On-balance sheet non-performing credit exposures to customers: changes in total adjustments

(millions of euro)

Reasons/Categories	BAD LOANS		UNLIKELY TO PAY		NON-PERFORMING PAST DUE EXPOSURES	
	Total	*of which: forborne exposures*	Total	*of which: forborne exposures*	Total	*of which: forborne exposures*
A. Initial total adjustments	**2,716**	**610**	**2,328**	**843**	**154**	**14**
- of which: exposures sold not derecognised	*14*	*2*	*103*	*20*	*35*	*5*
B. Increases	**1,917**	***403***	**1,699**	***605***	**181**	***9***
B.1 adjustments to purchased or originated credit-impaired assets	-	*X*	-	*X*	-	*X*
B.2 other adjustments	1,194	*254*	1,321	*491*	134	*9*
B.3 losses on disposal	3	*2*	4	3	-	-
B.4 transfers from other non-performing exposures categories	598	*128*	112	10	5	-
B.5 changes in contracts without derecognition	-	-	22	*22*	-	-
B.6 other increases	122	*19*	240	*79*	42	-
C. Decreases	**-1,964**	**-403**	**-1,563**	**-648**	**-205**	**-14**
C.1 recoveries on impairment losses	-249	*-72*	-241	-124	-31	-
C.2 recoveries on repayments	-154	*-34*	-97	-39	-5	-
C.3 profits on disposal	-37	*-2*	-28	-25	-	-
C.4 write-offs	-741	*-113*	-127	-30	-1	-
C.5 transfers to other non-performing exposure categories	-8	*-2*	-568	-126	-139	-10
C.6 changes in contracts without derecognition	-	-	-8	*-8*	-	-
C.7 other decreases	-775	*-180*	-494	-296	-29	-4
D. Final total adjustments	**2,669**	**610**	**2,464**	**800**	**130**	**9**
- of which: exposures sold not derecognised	*58*	*6*	*237*	*29*	*29*	*4*

The “other increases” mainly include the collections of loans derecognised in full (through “recoveries on repayments”) and increases in the balances of allowances in foreign currency due to changes in the exchange rate.
The “other decreases” mainly include the portfolio of loans classified as “bad loans” and “unlikely to pay” sold during the year. This caption also includes the collections of overdue interest applied in previous years, losses on disposal not covered by the allowance, the decrease in allowances in foreign currency due to changes in the exchange rate and the reduction in the allowances for adjustment due to the passing of time.

A.2. Classification of exposures based on external and internal ratings

A.2.1. Prudential Consolidation - Breakdown of financial assets, commitments to disburse funds and financial guarantees given by external rating classes (gross amounts)

The Intesa Sanpaolo Group uses the ratings supplied by the following external rating agencies for the portfolios subject to supervisory reporting: S&P Global Ratings, Moody's, Fitch Ratings and Morningstar DBRS. The ratings provided by those agencies are used in compliance with the authorisations received and the regulations in force for the different Group banks.
In compliance with the regulations, if there are two ratings for the same customer, the most prudential of the two is used, when three ratings are available, the middle rating is adopted, and when all ratings are available, the second-best is taken. The Group conducts independent due diligence on the ratings provided by the Agencies to enhance the understanding of the risk profile and characteristics of borrowers within its valuation processes, in order to ensure that the ratings applied are both appropriate and prudent.

(millions of euro)

Exposures	EXTERNAL RATING CLASSES						UNRATED	TOTAL
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6		
A. Financial assets measured at amortised cost	**27,566**	**44,233**	**73,910**	**6,810**	**2,368**	**211**	**384,564**	**539,662**
- Stage 1	27,296	43,720	72,608	6,499	2,068	66	343,602	495,859
- Stage 2	270	513	1,302	311	295	49	32,637	35,377
- Stage 3	-	-	-	-	5	96	8,191	8,292
- Purchased or originated credit-impaired	-	-	-	-	-	-	134	134
B. Financial assets measured at fair value through other comprehensive income	**30,635**	**35,265**	**15,439**	**2,430**	**1,120**	**33**	**3,775**	**88,697**
- Stage 1	30,326	34,775	15,335	2,334	1,091	20	3,434	87,315
- Stage 2	309	490	104	96	29	-	309	1,337
- Stage 3	-	-	-	-	-	13	32	45
- Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
C. Non-current financial assets held for sale	**-**	**-**	**-**	**-**	**-**	**-**	**1,890**	**1,890**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	1,815	1,815
- Purchased or originated credit-impaired	-	-	-	-	-	-	75	75
Total (A+B+C)	**58,201**	**79,498**	**89,349**	**9,240**	**3,488**	**244**	**390,229**	**630,249**
D. Commitments to disburse funds and financial guarantees given								
- Stage 1	14,995	27,556	62,514	14,814	1,727	93	165,998	287,697
- Stage 2	653	762	816	1,060	406	30	18,078	21,805
- Stage 3	-	-	-	-	-	12	1,942	1,954
- Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
Total (D)	**15,648**	**28,318**	**63,330**	**15,874**	**2,133**	**135**	**186,018**	**311,456**
Total (A+B+C+D)	**73,849**	**107,816**	**152,679**	**25,114**	**5,621**	**379**	**576,247**	**941,705**

The following table shows the mapping of risk classes and the external ratings.

Mapping of ratings issued by external rating agencies

	ECAI							
	Moody's		S&P Global Ratings		Fitch Ratings		Morningstar DBRS	
	Long term	Short term	Long term	Short term	Long term	Short term	Long term	Short term
Credit quality step								
1	-	P-1	AAA, AA-	A1+, A1	AAA, AA-	F1+, F1	AAA, AA-	R-1
2	A1, A3	P-2	A+, A-	A2	A+, A-	F2	A+, A-	R-2
3	Baa1, Baa3	P-3	BBB+, BBB-	A3	BBB+, BBB-	F3	BBB+, BBB-	R-3
4	Ba1, Ba3	NP	BB+, BB-	less than A3	BB+, BB-	less than F3	BB+, BB-	less than R-3
5	B1, B3	NP	B+, B-	less than A3	B+, B-	less than F3	B+, B-	less than R-3
6	Caa1 or less	NP	CCC+ or less	less than A3	CCC+ or less	less than F3	CCC+ or less	less than R-3

A.2.2. Prudential Consolidation - Breakdown of financial assets, commitments to disburse funds and financial guarantees given by internal rating classes (gross amounts)

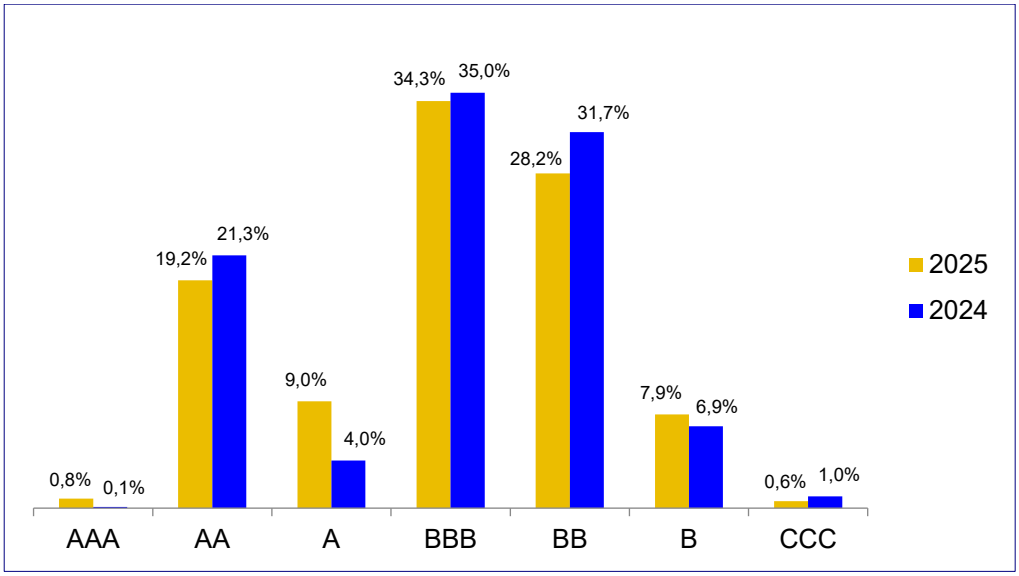
As indicated above in the Qualitative Information, the Intesa Sanpaolo Group has a set of ratings for the various segments of the counterparties (Public Sector Entities, Regional Governments and Local Authorities, Large Corporate, Corporate, Specialised Lending, Retail SME, Retail, Retail Secured by Immovable Property, and Banks).
The breakdown of exposures by internal rating classes shown in the following table is based on all ratings available in the credit risk management and control systems, in addition to ratings for validated models. These ratings include credit ratings assigned by external agencies for counterparties in customer segments for which an internal model is not available.
Unrated exposures account for 8.6% of all exposures to performing counterparties and refer to customer portfolios for which a rating model is not available, to counterparties for which the roll-out of rating models is still underway, as well as to Group companies whose mission is not related to credit and loans, which have been integrated into the credit risk management system, or to marginal exposures.

When unrated counterparties and non-performing loans are excluded, there is a high concentration of investment grade classes (classes 1, 2 and 3, representing ratings between AAA and BBB-) at 74.3% of the total, whilst 19.3% fall within the BB+/BB range (class 4) and 6.4% fall under higher risk classes (of which 0.9% are below B-).

(millions of euro)

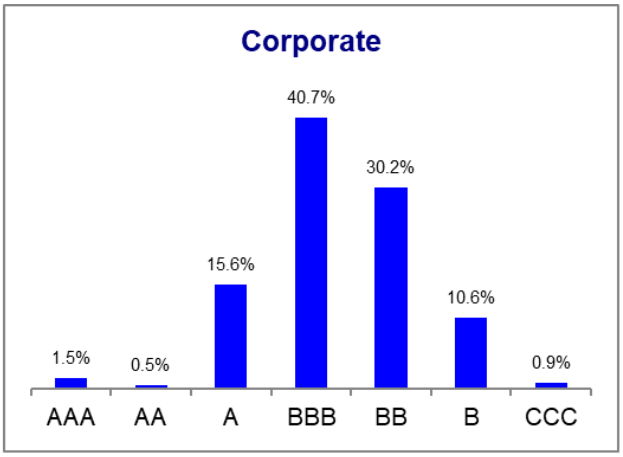
Exposures	Internal rating classes						Unrated	Total
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6		
A. Financial assets measured at amortized cost	**96,124**	**71,921**	**159,835**	**109,604**	**33,490**	**6,786**	**61,902**	**539,662**
- Stage 1	96,024	70,288	157,800	100,847	18,751	2,124	50,025	495,859
- Stage 2	98	1,633	2,014	8,679	14,156	3,274	5,523	35,377
- Stage 3	-	-	15	55	550	1,377	6,295	8,292
- Purchased or originated credit-impaired	2	-	6	23	33	11	59	134
B. Financial assets measured at fair value through other comprehensive income	**31,999**	**28,860**	**16,654**	**2,674**	**1,487**	**502**	**6,521**	**88,697**
- Stage 1	31,865	28,366	16,478	2,539	1,193	492	6,382	87,315
- Stage 2	134	494	176	135	294	-	104	1,337
- Stage 3	-	-	-	-	-	10	35	45
- Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
C. Non-current financial assets held for sale	**-**	**-**	**3**	**2**	**213**	**275**	**1,397**	**1,890**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	3	2	207	271	1,332	1,815
- Purchased or originated credit-impaired	-	-	-	-	6	4	65	75
Total (A+B+C)	**128,123**	**100,781**	**176,492**	**112,280**	**35,190**	**7,563**	**69,820**	**630,249**
D. Commitments and financial guarantees given								
- Stage 1	22,058	70,791	125,854	43,896	8,750	495	15,853	287,697
- Stage 2	439	4,069	2,307	7,729	3,958	1,014	2,289	21,805
- Stage 3	-	43	23	115	44	488	1,241	1,954
- Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
Total (D)	**22,497**	**74,903**	**128,184**	**51,740**	**12,752**	**1,997**	**19,383**	**311,456**
Total (A+B+C+D)	**150,620**	**175,684**	**304,676**	**164,020**	**47,942**	**9,560**	**89,203**	**941,705**

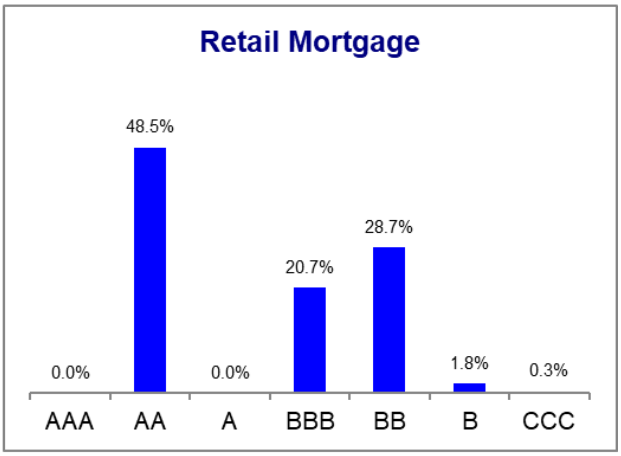
In addition to the tables required by the regulations, the rating allocation for performing loans to customers attributable to the main Group banks is shown below.
As at 31 December 2025, performing loans to customers assigned an individual rating internally or by an external agency accounted for 98% of the loans of the main Group banks.

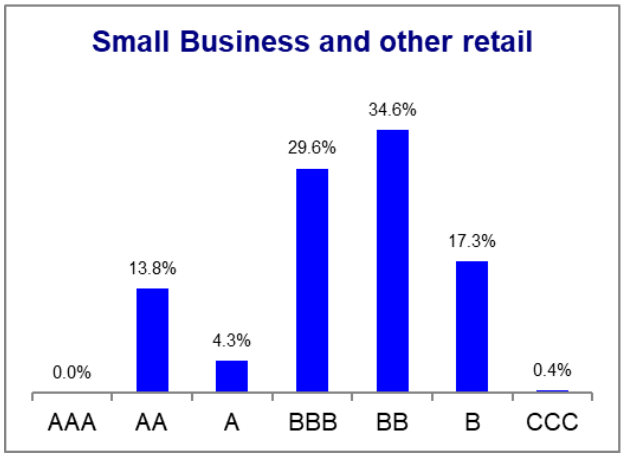


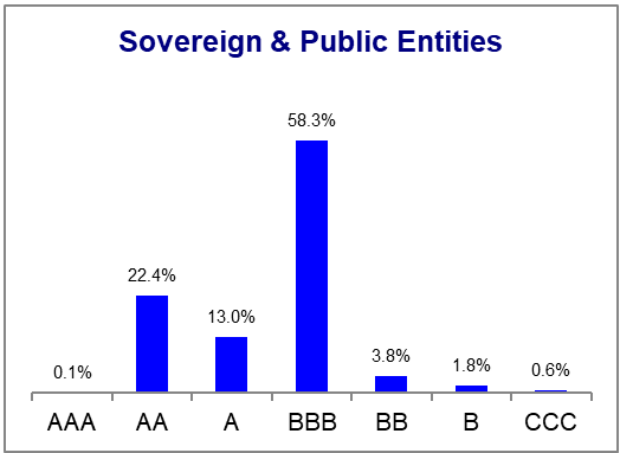
The allocation shows a level of investment grade exposures (from AAA to BBB inclusive), at 63.3%, up on the previous year (60.4%), mainly due to the restructuring of the portfolio and optimisation measures. The same percentage calculated on the entire portfolio, net of Russian counterparties, came to 73.6%, up on the previous year (72.1%).

The breakdown of the following portfolios by rating is presented below: Corporate, Retail Mortgage (residential mortgages for individuals), Small Business and other retail, Sovereign & Public Entities.









Investment grade positions account for 58.3%, 69.2%, 47.7% and 93.8% of the above portfolios, respectively.

A.3. Breakdown of guaranteed credit exposures by type of guarantee

A.3.1. Prudential Consolidation – Guaranteed on- and off-balance sheet credit exposures to banks

(millions of euro)

	Gross exposure	Net exposure	Collaterals (*) (1)				Personal guarantees (*) (2)	
							Credit derivatives	
			Real estate assets - mortgages	Real estate assets - finance leases	Securities	Other	CLN	Other derivatives
								Central counterparties
1. Guaranteed on-balance sheet credit exposures:	**22,680**	**22,672**	**-**	**3**	**21,783**	**-**	**-**	**-**
1.1 totally guaranteed	21,304	21,296	-	3	20,974	-	-	-
- of which non-performing	*38*	*31*	-	-	-	-	-	-
1.2 partly guaranteed	1,376	1,376	-	-	809	-	-	-
- of which non-performing	-	-	-	-	-	-	-	-
2. Guaranteed off-balance sheet credit exposures:	**8,348**	**8,348**	**-**	**-**	**1,998**	**3,442**	**-**	**-**
2.1 totally guaranteed	4,752	4,752	-	-	1,997	1,120	-	-
- of which non-performing	-	-	-	-	-	-	-	-
2.2 partly guaranteed	3,596	3,596	-	-	1	2,322	-	-
- of which non-performing	-	-	-	-	-	-	-	-

(*) Fair value of the guarantee or, if difficult to determine, its contractual value; as required by the regulations, the latter is stated up to the net exposure value.

(millions of euro)

	Personal guarantees (*) (2)							Total
	Credit derivatives			Commitments				
	Other derivatives			Public Administration	Banks	Other financial companies	Other counterparties	(1)+(2)
	Banks	Other financial companies	Other counterparties					
1. Guaranteed on-balance sheet credit exposures:	**-**	**-**	**-**	**354**	**180**	**-**	**-**	**22,320**
1.1 totally guaranteed	-	-	-	51	5	-	-	21,033
- of which non-performing	-	-	-	*31*	-	-	-	*31*
1.2 partly guaranteed	-	-	-	303	175	-	-	1,287
- of which non-performing	-	-	-	-	-	-	-	-
2. Guaranteed off-balance sheet credit exposures:	**27**	**-**	**-**	**59**	**141**	**-**	**-**	**5,667**
2.1 totally guaranteed	27	-	-	39	135	-	-	3,318
- of which non-performing	-	-	-	-	-	-	-	-
2.2 partly guaranteed	-	-	-	20	6	-	-	2,349
- of which non-performing	-	-	-	-	-	-	-	-

(*) Fair value of the guarantee or, if difficult to determine, contractual value, the latter stated - as required by the regulations - up to the net exposure value.

A.3.2. Prudential Consolidation - Guaranteed on- and off-balance sheet credit exposures to customers

(millions of euro)

	Gross exposure	Net exposure	Collateral (*) (1)				Personal guarantees (*) (2)	
							Credit derivatives	
			Real estate assets - mortgages	Real estate assets - finance leases	Securities	Other	CLN	Other derivatives
								Central counterparties
1. Guaranteed on-balance sheet credit exposures:	**312,394**	**308,019**	**158,244**	**3,437**	**34,496**	**9,849**	**-**	**-**
1.1 totally guaranteed	247,436	244,005	156,089	3,345	33,628	7,210	-	-
- of which non-performing	*5,099*	*2,721*	*1,381*	*165*	*18*	*39*	-	-
1.2 partly guaranteed	64,958	64,014	2,155	92	868	2,639	-	-
- of which non-performing	*1,703*	*952*	*138*	*10*	*1*	*30*	-	-
2. Guaranteed off-balance sheet credit exposures:	**72,604**	**72,484**	**1,726**	**39**	**13,646**	**11,982**	**-**	**-**
2.1 totally guaranteed	47,813	47,730	1,403	3	13,474	4,909	-	-
- of which non-performing	*218*	*180*	*9*	-	*7*	*21*	-	-
2.2. partly guaranteed	24,791	24,754	323	36	172	7,073	-	-
- of which non-performing	*153*	*125*	*6*	-	-	*21*	-	-

(*) Fair value of the guarantee or, if difficult to determine, its contractual value; as required by the regulations, the latter is stated up to the net exposure value.

(millions of euro)

	Personal guarantees (*) (2)							Total
	Credit derivatives			Commitments				
	Other derivatives			Public administration	Banks	Other financial companies	Other counterparties	(1)+(2)
	Banks	Other financial companies	Other counterparties					
1. Guaranteed on-balance sheet credit exposures	**-**	**-**	**-**	**34,727**	**1,317**	**2,888**	**24,331**	**269,289**
1.1 totally guaranteed	-	-	-	17,950	961	2,541	20,355	242,079
- of which non-performing	-	-	-	*754*	-	*12*	*307*	*2,676*
1.2 partly guaranteed	-	-	-	16,777	356	347	3,976	27,210
- of which non-performing	-	-	-	*578*	*3*	*10*	*45*	*815*
2. Guaranteed off-balance sheet credit exposures:	**117**	**-**	**-**	**4,941**	**884**	**2,592**	**25,657**	**61,584**
2.1 totally guaranteed	117	-	-	3,057	504	2,210	20,671	46,348
- of which non-performing	-	-	-	*8*	-	*1*	*134*	*180*
2.2. partly guaranteed	-	-	-	1,884	380	382	4,986	15,236
- of which non-performing	-	-	-	*15*	-	-	*34*	*76*

(*) Fair value of the guarantee or, if difficult to determine, its contractual value; as required by the regulations, the latter is stated up to the net exposure value.

A.4. Prudential consolidation – Financial assets and non-financial assets resulting from the enforcement of guarantees

(millions of euro)

	Derecognised credit exposure	Gross amount	Total adjustments	Book value	of which obtained during the year
A. Property and equipment	**267**	**269**	**-56**	**213**	**6**
A.1 Used in operations	3	3	1	4	-
A.2. Investment	117	106	-13	93	1
A.3 Inventories	147	160	-44	116	5
B. Equities and debt securities	**292**	**292**	**-181**	**111**	**-**
C. Other assets	**-**	**-**	**-**	**-**	**-**
D. Non-current assets held for sale and discontinued operations	**15**	**20**	**-6**	**14**	**-**
D.1 Property and equipment	15	20	-6	14	-
D.2. Other assets	-	-	-	-	-
Total 31.12.2025	**574**	**581**	**-243**	**338**	**6**
Total 31.12.2024	**652**	**646**	**-249**	**397**	**9**

For the Group, the assets seized (book value) are mainly represented by:
– Property and equipment used in operations: buildings (3 million euro) and land (1 million euro);
– Investment property: buildings (72 million euro); land (21 million euro);
– Property and equipment – Inventories: buildings (109 million euro) and land (7 million euro);
– Equities and debt securities:
  o financial assets mandatorily measured at fair value of 110 million euro;
  o financial assets measured at fair value through other comprehensive income of 1 million euro.
  This amounts to financial assets not previously provided by the borrower as security for pre-existing loans, but acquired under bilateral agreements with the borrower, following which the Group has derecognised the credit exposure;
– Non-current assets held for sale and discontinued operations: buildings (10 million euro) and land (4 million euro).

B. BREAKDOWN AND CONCENTRATION OF CREDIT EXPOSURES

B.1. Prudential Consolidation - Breakdown by sector of on- and off-balance sheet credit exposures to customers

(millions of euro)

Exposures/Counterparties	Public administration		Financial companies		Financial companies (of which: insurance companies)	
	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures						
A.1 Bad loans	2	-6	52	-45	-	-
- of which: forborne exposures	-	-	-	-	-	-
A.2 Unlikely to pay	29	-13	711	-229	-	-
- of which: forborne exposures	*15*	*-4*	*63*	*-52*	-	-
A.3 Non-performing past due exposures	-	-	-	-	-	-
- of which: forborne exposures	-	-	-	-	-	-
A.4 Performing exposures	138,780	-88	81,908	-118	2,787	-
- of which: forborne exposures	*71*	*-4*	*212*	*-5*	-	-
Total (A)	**138,811**	**-107**	**82,671**	**-392**	**2,787**	**-**
B. Off-balance sheet exposures						
B.1 Non-performing exposures	8	-1	6	-	-	-
B.2 Performing exposures	20,334	-3	59,283	-58	3,048	-
Total (B)	**20,342**	**-4**	**59,289**	**-58**	**3,048**	**-**
Total (A+B) 31.12.2025	**159,153**	**-111**	**141,960**	**-450**	**5,835**	**-**
Total (A+B) 31.12.2024	**145,016**	**-264**	**154,833**	**-420**	**13,995**	**-1**

(millions of euro)

Exposures/Counterparties	Non-financial companies		Households	
	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures				
A.1 Bad loans	666	-1,783	314	-835
- of which: forborne exposures	*166*	*-450*	*65*	*-160*
A.2 Unlikely to pay	2,100	-1,673	824	-549
- of which: forborne exposures	*807*	*-599*	*331*	*-145*
A.3 Non-performing past due exposures	87	-29	235	-101
- of which: forborne exposures	*7*	*-2*	*20*	*-7*
A.4 Performing exposures	171,244	-1,206	178,755	-615
- of which: forborne exposures	*2,875*	*-164*	*904*	*-54*
Total (A)	**174,097**	**-4,691**	**180,128**	**-2,100**
B. Off-balance sheet exposures				
B.1 Non-performing exposures	1,517	-395	31	-8
B.2 Performing exposures	203,988	-144	16,548	-16
Total (B)	**205,505**	**-539**	**16,579**	**-24**
Total (A+B) 31.12.2025	**379,602**	**-5,230**	**196,707**	**-2,124**
Total (A+B) 31.12.2024	**449,156**	**-5,070**	**192,794**	**-2,241**

B.2. Prudential Consolidation - Breakdown by geographical area of on- and off-balance sheet credit exposures to customers

(millions of euro)

Exposures/Geographical areas	Italy		Other European countries	
	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures				
A.1 Bad loans	775	-2,098	252	-481
A.2 Unlikely to pay	3,267	-2,112	347	-310
A.3 Non-performing past due exposures	251	-76	68	-53
A.4 Performing exposures	345,378	-1,196	159,290	-702
Total (A)	**349,671**	**-5,482**	**159,957**	**-1,546**
B. Off-balance sheet exposures				
B.1 Non-performing exposures	1,478	-369	59	-29
B.2 Performing exposures	166,264	-84	91,549	-114
Total (B)	**167,742**	**-453**	**91,608**	**-143**
Total (A+B) 31.12.2025	**517,413**	**-5,935**	**251,565**	**-1,689**
Total (A+B) 31.12.2024	**521,449**	**-5,899**	**271,743**	**-1,763**

(millions of euro)

Exposures/Geographical areas	America		Asia		Rest of the world	
	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures						
A.1 Bad loans	6	-61	1	-	-	-29
A.2 Unlikely to pay	11	-18	4	-3	35	-21
A.3 Non-performing past due exposures	1	-	-	-	2	-1
A.4 Performing exposures	33,308	-35	18,912	-26	13,799	-68
Total (A)	**33,326**	**-114**	**18,917**	**-29**	**13,836**	**-119**
B. Off-balance sheet exposures						
B.1 Non-performing exposures	12	-	12	-2	1	-4
B.2 Performing exposures	32,256	-16	6,573	-4	3,511	-3
Total (B)	**32,268**	**-16**	**6,585**	**-6**	**3,512**	**-7**
Total (A+B) 31.12.2025	**65,594**	**-130**	**25,502**	**-35**	**17,348**	**-126**
Total (A+B) 31.12.2024	**69,615**	**-136**	**28,166**	**-68**	**50,826**	**-129**

B.2.Bis Prudential consolidation – Breakdown of relations with customers resident in Italy by geographical area

(millions of euro)

Exposures/Geographical areas	North West		North East		Centre		South and islands	
	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures								
A.1 Bad loans	259	-659	107	-319	198	-556	211	-564
A.2 Unlikely to pay	1,377	-684	669	-475	612	-457	609	-496
A.3 Non-performing past due exposures	70	-21	38	-12	57	-17	86	-26
A.4 Performing exposures	113,842	-404	54,761	-203	123,668	-302	53,107	-287
Total A	**115,548**	**-1,768**	**55,575**	**-1,009**	**124,535**	**-1,332**	**54,013**	**-1,373**
B. Off-balance sheet exposures								
B.1 Non-performing exposures	418	-84	698	-217	205	-50	157	-18
B.2 Performing exposures	70,498	-38	29,445	-18	53,332	-16	12,989	-12
Total B	**70,916**	**-122**	**30,143**	**-235**	**53,537**	**-66**	**13,146**	**-30**
Total (A+B) 31.12.2025	**186,464**	**-1,890**	**85,718**	**-1,244**	**178,072**	**-1,398**	**67,159**	**-1,403**
Total (A+B) 31.12.2024	**193,882**	**-1,859**	**90,509**	**-1,139**	**169,361**	**-1,403**	**67,697**	**-1,499**

B.3. Prudential Consolidation - Breakdown by geographical area of on- and off-balance sheet credit exposures to banks

(millions of euro)

Exposures / Geographical Areas	Italy		Other European countries	
	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures				
A.1 Bad loans	-	-	-	-
A.2 Unlikely to pay	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-
A.4 Performing exposures	36,248	-2	44,319	-14
Total (A)	**36,248**	**-2**	**44,319**	**-14**
B. Off-balance sheet exposures				
B.1 Non-performing exposures	-	-	-	-
B.2 Performing exposures	4,091	-	22,174	-85
Total (B)	**4,091**	**-**	**22,174**	**-85**
Total (A+B) 31.12.2025	**40,339**	**-2**	**66,493**	**-99**
Total (A+B) 31.12.2024	**44,741**	**-2**	**89,042**	**-119**

(millions of euro)

Exposures / Geographical Areas	America		Asia		Rest of the world	
	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures						
A.1 Bad loans	-	-	-	-3	-	-
A.2 Unlikely to pay	34	-16	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-	-	-
A.4 Performing exposures	8,045	-1	3,963	-1	3,661	-6
Total (A)	**8,079**	**-17**	**3,963**	**-4**	**3,661**	**-6**
B. Off-balance sheet exposures						
B.1 Non-performing exposures	-	-	-	-	-	-
B.2 Performing exposures	6,410	-	10,356	-	2,851	-1
Total (B)	**6,410**	**-**	**10,356**	**-**	**2,851**	**-1**
Total (A+B) 31.12.2025	**14,489**	**-17**	**14,319**	**-4**	**6,512**	**-7**
Total (A+B) 31.12.2024	**14,689**	**-13**	**12,601**	**-4**	**5,799**	**-9**

B.3.Bis Prudential consolidation – Breakdown of relations with banks resident in Italy by geographical area

(millions of euro)

Exposures/Geographical areas	NORTH WEST		NORTH EAST		CENTRE		SOUTH AND ISLANDS	
	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures								
A.1 Bad loans	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-	-	-	-	-
A.4 Performing exposures	7,549	-1	2,280	-	26,319	-1	100	-
Total A	**7,549**	**-1**	**2,280**	**-**	**26,319**	**-1**	**100**	**-**
B. Off-balance sheet exposures								
B.1 Non-performing exposures	-	-	-	-	-	-	-	-
B.2 Performing exposures	2,474	-	521	-	1,094	-	2	-
Total B	**2,474**	**-**	**521**	**-**	**1,094**	**-**	**2**	**-**
Total (A+B) 31.12.2025	**10,023**	**-1**	**2,801**	**-**	**27,413**	**-1**	**102**	**-**
Total (A+B) 31.12.2024	**15,307**	**-1**	**2,493**	**-**	**26,933**	**-1**	**8**	**-**

B.4 Large exposures

Large exposures	
a) Book value (millions of euro)	227,593
b) Weighted value (millions of euro)	22,587
b) Number	13

Based on regulatory provisions, the number of large exposures presented in the table was determined by the reference to unweighted “exposures” in excess of 10% of Tier 1 Capital as defined by Regulation (EU) 876/2019 (CRR2) and Regulation (EU) 575/2013 (CRR). The “exposures” are defined as the sum of on-balance sheet assets at risk and off-balance sheet transactions (excluding those deducted from Tier 1 Capital) with a customer or a group of related customers, without applying weighting factors. These presentation criteria result in the inclusion in the financial statement table for large exposures of entities that – even with a weighting of 0% – present an unweighted exposure in excess of 10% of Tier 1 Capital for the purposes of large risks.

In accordance with the provisions of the EBA document "Guidelines on connected clients under Article 4(1)(39) of Regulation (EU) 575/2013", the supervisory reports have standard methods of presentation of groups of connected clients that (in the case of silos) require exposures to the central governments to be repeated within each corresponding economic group directly controlled by a central government or connected to it by economic dependence.
However, the amounts shown in points a) and b) and the number shown in point c) in the table above include the exposure to the various central governments, to which the Intesa Sanpaolo Group is exposed, only once.

C. SECURITISATIONS

This section does not include securitisations where the originators are Intesa Sanpaolo Group banks and all the liabilities (e.g. ABS securities, loans at the warehousing stage) issued by the vehicle companies are subscribed at the time of issue by one or more Group companies. For a description of these types of transaction, see the section on liquidity risk in Part E of the Notes to the consolidated financial statements.

Qualitative information

The securitisations carried out in 2025 are summarised below:

GARC Securitisations

Within the Active Credit Risk Management (GARC) transactions, Intesa Sanpaolo completed seven new synthetic securitisations during the year: GARC New Origination-3, GARC USD Corp-2, GARC ESG & Circular Economy-3, GARC Infrastructure-2, GARC RCF-1, GARC Fund Financing-1 and GARC Corp-8. Specifically:

- for the GARC New Origination-3 transaction (first quarter), the junior risk associated with an initial portfolio, both gross and net of risk retention, of around 0.5 billion euro in loans to around 1,000 customers in the Corporate and Corporate SME regulatory segment, valued using internal models (Advanced IRB), was sold to a specialist investor. This portfolio is increased with new loans on a quarterly basis during a ramp-up period not exceeding 12 months until a maximum portfolio of 6 billion euro is reached;
- for the GARC USD Corp-2 transaction (second quarter), the junior risk relating to a gross initial portfolio of around 5.7 billion dollars of loans (corresponding to around 2.4 billion dollars net of risk retention) to around 100 businesses in the Large Corporate, Corporate and Corporate SME regulatory segment, valued using internal models, was sold to specialist investors;
- for the GARC ESG & Circular Economy-3 transaction (second quarter), the junior and mezzanine risk relating to a gross initial portfolio of around 3.4 billion euro (corresponding to around 1.5 billion euro net of risk retention) in loans to around 300 businesses in the Large Corporate, Corporate and Corporate SME regulatory segment with a high ESG score and/or part of the circular economy, valued using internal models, was sold to specialist investors;
- for the GARC Infrastructure-2 transaction (third quarter), the junior risk of a total gross initial portfolio of around 3.9 billion euro (corresponding to around 1.5 billion euro net of risk retention) in project finance/corporate lending to around 200 businesses in the Large Corporate, Corporate and Corporate SME regulatory segment, valued using internal models, was sold to specialist investors;
- for the GARC RCF-1 transaction (fourth quarter), the mezzanine risk of a total gross initial portfolio of around 6.6 billion euro (corresponding to around 3.0 billion euro net of risk retention) of revolving credit facilities (RCF) to around 100 businesses in the Large Corporate regulatory segment, valued using internal models, was sold to specialist investors;
- for the GARC Fund Financing-1 transaction (fourth quarter), the junior and mezzanine risk relating to a gross initial portfolio of around 2 billion dollars of revolving credit facilities (corresponding to around 1.3 billion dollars net of risk retention) with investment funds managed by leading asset managers, valued using the standardised approach, was sold to specialist investors;
- for the GARC Corp-8 transaction (fourth quarter), the junior risk relating to a gross initial portfolio of around 9.3 billion euro (corresponding to around 4.1 billion euro net of risk retention) in loans to around 300 businesses in the Large Corporate, Corporate and Corporate SME regulatory segment, valued using internal models, was sold to specialist investors. The transaction was structured in accordance with the STS (Simple, Transparent and Standardised) requirements established in Articles 26a to 26e of Regulation (EU) No. 2017/2402.

In compliance with the retention rule laid down by the supervisory regulations, for the above transactions Intesa Sanpaolo holds at least 5% of the securitised portfolio.

In the fourth quarter, the subscription was carried out of GARC Archimede, a tranched cover transaction on a newly issued portfolio whose junior risk is covered through a guarantee agreement with SACE under the so-called “Garanzia Archimede”, an instrument introduced in the 2024 Budget Act to support new investments by Italian Mid and Large Corporates in innovation, infrastructure and sustainable transition. The portfolio will be established starting from 2026 on a quarterly basis during a ramp-up period not exceeding 18 months and up to a maximum gross amount of 2 billion euro (corresponding to around 1 billion euro net of risk retention).

Quantitative information

C.1. Prudential consolidation - Breakdown of exposures deriving from the main "originated" securitisations by type of securitised asset and by type of exposure

On-balance sheet

(millions of euro)

Type of securitised asset/ Exposure	ON-BALANCE SHEET EXPOSURES					
	Senior		Mezzanine		Junior	
	Book value	Adjust./ recoveries	Book value	Adjust./ recoveries	Book value	Adjust./ recoveries
A. Fully derecognised	**3,379**	**-47**	**30**	**-3**	**8**	**2**
– Leases (*)	1,660	-1	12	-1	-	-
– Loans to businesses (including SMEs) (**)	1,411	-46	18	-2	8	2
– Residential mortgage loans (**)	308	-	-	-	-	-
B. Partly derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C. Not derecognised	**46,379**	**5**	**288**	**-**	**408**	**1**
- Loans to businesses (including SMEs) (***) (****)	40,472	3	283	-	346	1
– Commercial mortgage loans (****)	2,322	-	-	-	15	-
– Residential mortgage loans (****)	1,874	2	5	-	22	-
– Leases (****)	1,711	-	-	-	25	-
TOTAL	**49,758**	**-42**	**318**	**-3**	**416**	**3**

(*) The amounts refer to the Portland securitisation relating to non-performing financial assets for amounts of 2 million euro – senior and 2 million euro – mezzanine, respectively (see the 2021 Consolidated Financial Statements for details of the transaction) and the Teseo transaction relating to performing financial assets (see the 2022 Consolidated Financial Statements for details of the transaction).

(**) The entire amount relates to non-performing financial assets.
The "Loans to businesses (including SMEs)" relate to the Savoy, Kerma, Yoda, Sirio, Grogu, Kerdos, Organa and Andor securitisations (see the 2018, 2019, 2020, 2021, 2022 and 2023 Consolidated Financial Statements, respectively, for details about the transactions). "Residential mortgage loans" relate to the Maior and Iseo securitisations (arising from the business combination of the former UBI Group).

(***) This amount comprises performing exposures and includes the Chewbecca securitisation (see the 2023 Consolidated Financial Statements for details of the transaction).

(****) The captions also include performing amounts associated with the synthetic securitisations originated by the Intesa Sanpaolo Group.

Off-balance sheet

This type of exposure did not exist as at 31 December 2025.

C.2. Prudential consolidation - Breakdown of exposures deriving from the main "third-party" securitisations by type of securitised asset and by type of exposure

On-balance sheet

(millions of euro)

Type of securitised asset/ Exposure	ON-BALANCE SHEET EXPOSURES					
	Senior		Mezzanine		Junior	
	Book value	Adjust./ recoveries	Book value	Adjust./ recoveries	Book value	Adjust./ recoveries
Securitisations	29	1	-	-	-	-
Covered bonds	29	-	8	-	-	-
Commercial mortgage loans	176	1	3	-	-	-
Trade receivables	308	-2	2	-	8	-
Residential mortgage loans	471	2	31	-	-	-
Leases	559	-2	2	-	-	-
Consumer credit	1,640	-	13	-	-	-
Loans to businesses (including SMEs)	4,366	2	98	-	1	-
Other assets (*)	6,134	-3	-	-	-	-
TOTAL	**13,712**	**-1**	**157**	**-**	**9**	**-**

(*) The amount also includes the Romulus securities for 3,812 million, held by the Banking Group, generally represented among third-party securitisations, as well as loans to the vehicle Duomo Funding Plc for 2,156 million as a result of the use of credit lines. For more information regarding the type of underlying assets, reference is made to Section 4 – Risks of other companies, of this Part E.

Off-balance sheet

(millions of euro)

Type of securitised asset/ Exposure	GUARANTEES GIVEN						CREDIT LINES					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Net exposure	Adjust./ recoveries	Net exposure	Adjust./ recoveries	Net exposure	Adjust./ recoveries	Net exposure	Adjust./ recoveries	Net exposure	Adjust./ recoveries	Net exposure	Adjust./ recoveries
Duomo ABCP Conduit transactions (*)	-	-	-	-	-	-	(*)	(*)	-	-	-	-
Loans to businesses (including SMEs)	-	-	-	-	-	-	210	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**210**	**-**	**-**	**-**	**-**	**-**

(*) With regard to the transactions carried out through Duomo Funding Plc and funded by ABCP, Intesa Sanpaolo has granted liquidity facilities (amounting to 4,479 million euro in terms of net exposures and around 23 million euro of adjustments) to secure the assets included under "Other assets" in Table C.2 on-balance sheet exposures.

C.3. Prudential consolidation - Stakes in securitisation vehicles

(millions of euro)

SECURITISATION/ SPECIAL PURPOSE VEHICLE	REGISTERED OFFICE	CONSOLIDATION (a)	ASSETS (b)			LIABILITIES (b)		
			Loans	Debt securities	Other	Senior	Mezzanine	Junior
Brera Sec S.r.l. (c)	Conegliano Veneto (TV)	(d)	14,258	-	510	12,965	-	1,526
Clara Sec S.r.l. (c)	Conegliano Veneto (TV)	(d)	5,362	-	2,499	6,350	-	824
Giada Sec S.r.l. (c)	Conegliano Veneto (TV)	(d)	15,767	-	9,916	16,860	-	8,425
ISP CB Ipotecario S.r.l. (e)	Milano	(d)	34,479	-	7,595		38,170	
ISP OBG S.r.l. (e)	Milano	(d)	40,258	-	5,491		45,434	
UBI Finance S.r.l. (e)	Milano	(d)	3,596	-	569		4,151	

(a) Consolidation method referring to the so-called "prudential" scope.

(b) Figures gross of any intragroup relations. The amounts shown under assets and liabilities refer to the total values reported in the financial statements of the special purpose vehicles.

(c) Self-securitisation vehicle described in Section 1.4 Banking Group - Liquidity Risk, Quantitative Information, paragraph 2 of these Notes to the consolidated financial statements.

(d) Vehicle consolidated at equity.

(e) Vehicle used for the covered bond issue by the Intesa Sanpaolo Group. For more information, see Section D in Part E of these Notes to the consolidated financial statements.

The securitisations structured by the Intesa Sanpaolo Group on its own assets include those named Towers, Savoy, Kerma, Yoda, Maior, Iseo, Sirio, Kerdos, Grogu, Portland, Organa, Andor, Teseo and Chewbecca, for which special purpose vehicles were used that are third-party and independent entities with respect to the Group, and in which the Group does not hold any investments. For that reason, these vehicles are not shown in the table above.
The vehicles Augusto S.r.l. and Diocleziano S.r.l. are not shown in the table, because, as at 31 December 2025, the assets and liabilities relating to the connected securitisations had been extinguished and the vehicles were placed in liquidation in February 2026.

C.4 Prudential consolidation – Unconsolidated securitisation vehicles

This paragraph contains the disclosure on the unconsolidated securitisation vehicles, other than those used in self-securitisations, which the Intesa Sanpaolo Group does not hold any stake in the capital and those in which it holds a residual stake.

With regard to the vehicles Augusto and Diocleziano, placed in liquidation in February 2026, as at 31 December 2025 the Intesa Sanpaolo Group held the interests reported in Part B.
The Intesa Sanpaolo Group controls the companies Romulus Funding Corporation and Duomo Funding Plc (included solely in the scope of consolidation pursuant to IFRS 10), which are used for transactions in which the Intesa Sanpaolo Group acts as sponsor and whose operations are described in Section 4 - Risks of other companies, of this Part E.

C.5. Prudential consolidation - Servicer activities – originated securitisations: collection of securitised loans and repayment of securities issued by the securitisation vehicle

SERVICER	SPECIAL PURPOSE VEHICLE	SECURITISED ASSETS (end-of-period figure) (millions of euro)		COLLECTIONS OF LOANS IN THE YEAR (millions of euro)		PERCENTAGE OF REIMBURSED SECURITIES (period-end figure)					
						Senior		Mezzanine		Junior	
		Non-performing	Performing	Non-performing	Performing	Non-performing	Performing	Non-performing	Performing	Non-performing	Performing
Intesa Sanpaolo	Brera Sec S.r.l. (*)	10	14,248	1	746	0%	11%	0%	0%	0%	0%
Intesa Sanpaolo	Clara Sec S.r.l. (*)	35	5,327	6	2,030	0%	0%	0%	0%	0%	0%
Intesa Sanpaolo	Giada Sec S.r.l. (*)	279	15,488	26	8,340	0%	0%	0%	0%	0%	0%
Intesa Sanpaolo	Teseo SPV S.r.l. (**)	76	1,833	5	582	0%	48%	0%	0%	0%	64%
Total		**400**	**36,896**	**38**	**11,698**						

In 2025, the second Brera Sec self-securitisation, structured in 2019, was extinguished.

(*) Vehicle used for self-securitisations.

(**) Vehicle used for the traditional securitisation of performing lease receivables described in the 2022 Consolidated Financial Statements. In 2025, the securitisation was restructured by increasing the mezzanine tranches and decreasing the junior tranches.

C.6. Prudential consolidation – Consolidated securitisation vehicles

There were no transactions that used consolidated securitisation vehicles during 2025.

D. SALES

A. Financial assets sold not fully derecognised

Qualitative information

For a description of the operations shown in the tables below, reference is made to the information shown below the relevant tables.
Conversely, for operations in debt securities against medium/long-term repurchase agreements, reference is made to the information in Part B of the Notes to the consolidated financial statements.

Quantitative information

Prudential consolidation - Financial assets sold fully recognised and related financial liabilities: book value

(millions of euro)

	Financial assets sold fully recognised				Related financial liabilities		
	Book value	*of which: securitisations*	*of which: subject to sales contracts with repurchase clauses*	*of which: non-performing*	Book value	*of which: securitisations*	*of which: subject to sales contracts with repurchase clauses*
A. Financial assets held for trading	**3,659**	**-**	***3,659***	***X***	**3,624**	**-**	***3,624***
1. Debt securities	2,541	-	*2,541*	*X*	2,538	-	*2,538*
2. Equities	1,118	-	*1,118*	*X*	1,086	-	*1,086*
3. Loans	-	-	-	*X*	-	-	-
4. Derivatives	-	-	-	*X*	-	-	-
B. Other financial assets mandatorily measured at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Equities	-	-	-	*X*	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**26,368**	**-**	***26,368***	**-**	**26,043**	**-**	***26,043***
1. Debt securities	26,368	-	*26,368*	-	26,043	-	*26,043*
2. Equities	-	-	-	*X*	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets measured at amortised cost	**25,957**	**-**	***25,957***	**-**	**25,095**	**-**	***25,095***
1. Debt securities	25,957	-	*25,957*	-	25,095	-	*25,095*
2. Loans	-	-	-	-	-	-	-
TOTAL 31.12.2025	**55,984**	**-**	***55,984***	**-**	**54,762**	**-**	***54,762***
TOTAL 31.12.2024	**32,082**	**-**	***32,082***	**-**	**31,608**	**-**	***31,608***

The table above does not include covered bond transactions in which the Intesa Sanpaolo Group is both the seller and lender for the vehicle issuing the debt securities.

The aggregates of the sales contracts with repurchase clauses relate to repurchase agreements entered into by the Group for assets sold and not derecognised. However, repurchase agreements relating to securities received under repurchase agreements are not included in the related financial liabilities.

Prudential consolidation – Financial assets sold partly recognised and related financial liabilities: book value

These are not present in the Intesa Sanpaolo Group.

Prudential consolidation - Sales with liabilities having recourse exclusively on the assets sold and not fully derecognised: fair value

(millions of euro)

	Fully recognised	Partly recognised	31.12.2025	31.12.2024
A. Financial assets held for trading	**3,659**	**-**	**3,659**	**1,435**
1. Debt securities	2,541	-	2,541	247
2. Equities	1,118	-	1,118	1,188
3. Loans	-	-	-	-
4. Derivatives	-	-	-	-
B. Other financial assets mandatorily measured at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equities	-	-	-	-
3. Loans	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Loans	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**26,368**	**-**	**26,368**	**14,915**
1. Debt securities	26,368	-	26,368	14,915
2. Equities	-	-	-	-
3. Loans	-	-	-	-
E. Financial assets measured at amortised cost (fair value)	**25,759**	**-**	**25,759**	**14,632**
1. Debt securities	25,759	-	25,759	14,632
2. Loans	-	-	-	-
Total financial assets	**55,786**	**-**	**55,786**	**30,982**
Total related financial liabilities	**54,764**	**-**	**54,764**	**31,607**
Net value 31.12.2025	**1,022**	**-**	**1,022**	**X**
Net value 31.12.2024	**-625**	**-**	**X**	**-625**

The table above does not include covered bond transactions in which the Intesa Sanpaolo Group is both the seller and lender for the vehicle issuing the debt securities.

B. Financial assets sold fully derecognised with recognition of continuing involvement

This type of exposure did not exist as at 31 December 2025.

C. Financial assets sold and fully derecognised

Qualitative information

The disclosure is provided below regarding the multioriginator sale transactions involving loan portfolios – classified as unlikely to pay in particular – attributable to the sale of loans to a mutual investment fund with the assignment of the units in the fund to the selling intermediaries.

Back2Bonis Fund

In implementation of the derisking envisaged in the 2018-2021 Business Plan and the subsequent 2022-2025 Business Plan, in the third quarter of 2020 the Intesa Sanpaolo Group begun the deconsolidation of a portfolio of credit exposures (including real estate assets and contracts) classified as unlikely to pay with real estate underlying held by the Bank, accompanied by their conversion into units of the securities fund called Back2Bonis. The transaction, the closing of which took place at the end of 2020, took the form for the Bank (including the transactions undertaken in 2019 and 2020 by UBI Banca, merged in 2021) of the sale of a portfolio of loans, short-term legal relationships and legal relationships and assets from lease receivables for a total gross amount of 351 million euro and net exposure of 164 million euro, accompanied by the subscription of the units of the Back2Bonis fund for an amount of 164 million euro, substantially in line with the net value of the loans and receivables sold. The transaction was completed through: (i) the sale to the securitisation vehicle Ampre S.r.l. of the bank receivables and the lease receivables; (ii) the sale to Ampre LeaseCo S.r.l. of the legal relationships and assets arising from the leases; (iii) the sale of the short-term revolving contracts and the related legal relationships and receivables of Intesa Sanpaolo, together with the medium/long-term contracts with residual disbursements and the related legal relationships, other than the lease relationships and assets through the fronting bank provided by Banca Finanziaria Internazionale S.p.A.; (iv) the subscription by the Back2Bonis Fund of all the securities issued by the securitisation vehicle; and (v) the acquisition by Intesa Sanpaolo of the units of the Fund in exchange for the loans and receivables sold. In 2022, additional loans were sold, for a gross amount of 1 billion euro and net exposure of 216 million euro, accompanied by the subscription of units of the Back2Bonis fund, for an amount of 216 million euro, with the sale price offset against the subscription price of the Fund's units, without significant effects on the income statement for 2022.

The Back2Bonis fund, established in the form of a closed-end mutual fund whose units can only be subscribed by professional investors, is a multi-originator platform for the management of Real Estate Small & Medium Size loans classified as UTP, deriving from loans and credit lines granted to companies operating in the real estate sector or to real estate funds (including those not fully disbursed/drawn down at the time of sale). Following the completion of the transfer of the loans and receivables to the platform, Intesa Sanpaolo had deconsolidated the loans and receivables and recognised the Fund's units in place of those loans and receivables. The breakdown of the assigned debtors by economic sector was mainly concentrated in the following sectors:

– "Production companies" at 79.9%;
– "Construction companies" at 12.9%;
– "Real estate business" at 3.5%;
– "Financial and insurance business" at 2.6%;
– and a residual amount in other business sectors (Services, Transport and Manufacturing Activities).

The assets of the assigned debtors were broken down as follows by geographical area:

– 92.2% North-West;
– 3.5% North-East;
– 3.2% South and Islands;
– 1.1% Centre.

In 2025, the Fund made a distribution of 55 million euro. Intesa Sanpaolo's *pro rata* share was 23 million euro. At 31 December 2025, the Bank held a 42.47% stake (with voting rights limited to 35%) in the Back2Bonis Fund, classified among investments subject to significant influence, for a book value of 224 million euro. The measurement of the Back2Bonis Fund yielded an overall negative effect for the year of 97 million euro.

FI.NAV. Fund SUB-FUND A - LOANS

In pursuit of the de-risking activities provided for in the 2018-2021 Business Plan and the subsequent 2022-2025 Business Plan, in the fourth quarter of 2018 the Intesa Sanpaolo Group had launched the contribution to the FI.NAV. fund (a closed-end Italian securities umbrella fund) of a portfolio of non-performing secured and unsecured loans attributable to the shipping sector. The Fund, reserved for institutional investors, is managed by the asset management company IQ EQ Fund Management (Ireland) Limited, not a member of the Intesa Sanpaolo Group, based in Ireland, and is divided into two autonomous sub-funds: FI.NAV. Sub-Fund A – Loans, dedicated to including the loans contributed by the Intesa Sanpaolo Group and Unicredit, and FI.NAV. Sub-fund B - New Finance, dedicated to including the capital of third-party investors to relaunch the repossessed ships. The transaction, formulated in 2018, was closed in 2019 through a sale of receivables without recourse for total gross consideration of 155 million euro and a net exposure of 102 million euro, equal to the sale price, set off against the price of subscription of the Fund units and, therefore, without any effects on the income statement for 2019. In 2020, a further tranche was sold without recourse for a gross amount of 37 million euro and a net value of 34 million euro, in line with the sale price and, therefore, with no impact on the income statement for 2020. Pursuant to IFRS 9, for the Intesa Sanpaolo Group the transaction entailed the derecognition of the loans sold since the Fund has become solely responsible for managing them following the sale; the Intesa Sanpaolo Group had therefore derecognised the loans concerned, while recognising the corresponding fair value of the units of the Fund assigned. The Group companies involved in the transaction were the Parent Company Intesa Sanpaolo and some of its subsidiaries merged in 2019 and 2020 (Cassa di Risparmio in Bologna and Mediocredito, both merged in 2019, and Banca IMI, merged in 2020). In 2022 the sale of a loan portfolio was finalised for a gross amount of 74 million euro and net exposure of 37 million euro, accompanied by the subscription of the units of the Fund for an amount essentially in line with the value of the exposure sold, without significant effects on the income statement for 2022. The economic sector of the assigned debtors was mainly concentrated in Transport. The transferred financial assets are primarily in the South and Islands area.

In 2025, two distributions were made by the Fund for an overall total of 98 million euro and Intesa Sanpaolo's *pro rata* share was 49 million euro.
As at 31 December 2025, the Bank held a 50.54% stake in the FI.NAV. fund, classified among investments subject to significant influence[375], for a book value of 22 million euro. The measurement of the FI.NAV. Fund SUB-FUND A - LOANS yielded a positive effect for the year of 14 million euro, in addition to a negative exchange rate effect of 8 million euro recognised in shareholders' equity.

RSCT Fund – Loans Sub-Fund

As part of the de-risking envisaged in the 2018-2021 Business Plan and the subsequent 2022-2025 Business Plan, the Intesa Sanpaolo Group had identified the opportunity to transfer assets (loans and securities) relating to non-performing positions to the closed-end RSCT Fund, in exchange for units of the Fund. The project was managed by Pillarstone, which had selected a portfolio of industrial and commercial companies with the objective of helping each of them to identify a strategy for maximising the potential for debt recovery, also through injections of new finance. The transaction took place in May 2020 with the transfer of a portfolio of loans with 18 companies originated by the Group (Intesa Sanpaolo and Banca IMI, subsequently merged into Intesa Sanpaolo on 20 July 2020), Unicredit, BPER Banca and Crédit Agricole to the newly established closed-end alternative investment RSCT Fund, managed by IQ EQ Fund Management (Ireland) Limited, an alternative fund manager authorised by the Central Bank of Ireland. The RSCT Fund is made up of two separate sub-funds: sub-fund A for the management of loans acquired from the selling banks and sub-fund B for the management of the new finance. The May 2020 sale involved a portfolio of loans, Sirti notes and PS Reti equity instruments for a gross amount of 339 million euro (Intesa Sanpaolo and Banca IMI) at a net value of 255 million euro, substantially in line with the sale price. In July 2020, a further sale was completed of a loan position for a gross amount of 6.3 million euro at a value of 4.5 million euro, with the sale price offset against the subscription price of the Fund's units. In February 2021, a sale was completed of a loan position for a gross amount of 21.3 million euro at a value of 13.9 million euro, with the sale price offset against the subscription price of the Fund's units. In March 2021, a sale was completed of a loan position deriving from the absorption of UBI Banca for a gross amount of 3.1 million euro and a net exposure of 1.2 million euro, with the concurrent subscription of units of the RSCT fund for 1.3 million euro, essentially aligned with the net value of the transferred loans. In June 2021, a further sale was completed of a loan position for a gross amount of 0.4 million euro at a value of 0.1 million euro, with the sale price offset against the subscription price of the Fund's units. By economic sector, the assigned debtors are 72% concentrated in "Companies that install electrical equipment", 18% in "Amusement and theme parks" and 10% in "Retail sale of footwear and accessories".
In 2024, a distribution was made by the Fund for a total of 10 million euro with a *pro rata* share in favour of Intesa Sanpaolo of 7 million euro.
The transferred financial assets are primarily in the North-west area.
In 2025, two distributions by the Fund were made for 17 million euro. Intesa Sanpaolo's *pro rata* share was 12 million euro. As at 31 December 2025, the Bank held a 70.07%[376] stake in the RSCT fund, classified among investments subject to significant influence, for a book value of 224 million euro. The measurement of the RSCT Fund yielded an overall negative effect for the year of 21 million euro.

IDEA CCR Corporate Credit Recovery II Fund - Loans Sub-fund

In 2018, the Intesa Sanpaolo Group (specifically Intesa Sanpaolo and the banks subsequently merged into Intesa Sanpaolo: Cassa di Risparmio del Veneto, Cassa di Risparmio di Firenze, Cassa di Risparmio del Friuli-Venezia Giulia, Cassa di Risparmio in Bologna, and Mediocredito) participated in the closed-end Italian fund IDEA CCR Corporate Credit Recovery II - Loans Sub-Fund, managed by Dea Capital Alternative Funds S.G.R. S.p.A. and dedicated to the recovery of mid-size Italian companies in situations of financial tension but with solid industrial fundamentals. The transaction, which was completed in 2018, was undertaken by contributing non-performing loans with a nominal value of 59 million euro and a net exposure to the sale price of 39.2 million euro, with the price of sale offset against the subscription price, of equal amount, of the units of the IDEA CCR Corporate Credit Recovery II fund - Loans Sub-Fund. In 2021, the Bank's investment in the IDEA CCR fund increased further, due to the merger of UBI Banca, which had sold loan positions to the IDEA CCR Corporate Credit Recovery II fund, Loans Sub-fund, managed by Dea Capital Alternative Funds SGR, in 2020, 2019, 2018 and 2017 for a total gross amount of 231 million euro and a net exposure of 144 million euro, with concurrent subscription of the units of the IDEA CCR fund for an amount of 148 million euro, with the price of sale offset against the price of subscription of the fund units.
In 2022, the investment of the Bank in the IDEA CCR fund changed due to: i) the inclusion of the stake held by UBI Leasing S.p.A., merged into Intesa Sanpaolo in May 2022, which had sold loan positions to the IDEA CCR Corporate Credit Recovery II fund - Loans Sub-Fund in 2019 for a total gross amount of 5 million euro and a net exposure of 3 million euro, with the sale price offset against the subscription price, in the same amount, of the fund units, and ii) the sale of A1 units held by Intesa Sanpaolo in the fund to Banca Nazionale del Lavoro S.p.A. The receivable held by Intesa Sanpaolo in relation to the sale was settled by offsetting with the purchase of units of Back2Bonis. In 2024, Intesa Sanpaolo transferred a loan portfolio for a total gross amount of 232 million euro, with payment of the price through the subscription of Fund units recognised at an initial recognition amount of 201 million euro, with no significant impact on the 2024 income statement.
The breakdown of the assigned debtors by economic sector was mainly concentrated in the following sectors:
– "Production Companies" at 70.7%;
– "Other collective investments undertakings" at 10.3%;
– "Non-financial companies of non-EU countries" at 10.1%;
– and, to a residual extent, other business sectors.

The assets of the assigned debtors were broken down as follows by geographical area:
– 33.3% Centre;

[375] The interest is included under Companies subject to significant influence because, even though it represents a more complex situation than that typical of an ordinary non-controlling interest, the absence has been confirmed of the conditions for exercise of control envisaged by IFRS 10 on the basis of the corporate governance provisions in the articles of association/regulations.
[376] The interest is included under Companies subject to significant influence because, even though it represents a more complex situation than that typical of an ordinary non-controlling interest, the absence has been confirmed of the conditions for exercise of control envisaged by IFRS 10 on the basis of the corporate governance provisions in the articles of association/regulations.

– 19.3% North-East;
– 18.1% South and Islands;
– 16.7% North-West;
– 12.6% Outside Italy.

Following this transaction, Intesa Sanpaolo increased its holding in the fund and reclassified the interest from financial assets mandatorily measured at fair value to interests subject to significant influence. In 2025, the Fund made a distribution of 33 million euro. Intesa Sanpaolo's *pro rata* share was 11 million euro. As at 31 December 2025, the Bank held a 33.47% stake in the IDEA CCR Corporate Credit Recovery II fund, Loans Sub-Fund, classified among interests subject to significant influence, for a book value of 201 million euro. The measurement of the IDEA CCR Corporate Credit Recovery II fund - Loans Sub-Fund yielded a negative effect of 15 million euro during the year.

UTP Italia Fund – Loans Sub-Fund

The UTP Italia fund is an alternative closed-end Italian securities umbrella fund (AIF) in charge of managing loans classified as unlikely-to-pay (UTP) and whose target is credit exposures to small and medium-sized enterprises and individuals. In November 2022, the Bank finalised the sale of a loan portfolio (mainly UTP) to the UTP Italia fund managed by Sagitta S.G.R., with Intrum Italy S.p.A. as special servicer. Specifically, the transaction entailed: i) the sale of loans owed to the Bank for a gross amount at the cut-off date of 42 million euro and net exposure of 25 million euro, to Finn SPV S.r.l. (SPV 130), without significant effects on the income statement for 2022; ii) the recognition of the receivable of 25 million euro from the SPV 130; iii) the contribution to the UTP Italia fund of the receivable from the SPV 130 in exchange for units of the fund by way of price; and iv) issue of Asset-Backed Securities (ABS) by the vehicle, subscribed by the Fund, derecognising the receivable from the SPV 130. Effective 20 March 2023, Intesa Sanpaolo finalised the sale of a loan portfolio with gross exposure of 366 million euro and net exposure of 147 million euro to the securitisation vehicle Finn SPV S.r.l., with the sale price netting the subscription price of the Fund units. Following this transaction, Intesa Sanpaolo had increased its holding in the fund and had reclassified the interest from financial assets mandatorily measured at fair value to interests subject to significant influence.

In 2024, Intesa Sanpaolo transferred a loan portfolio for a total gross amount of 180 million euro, with payment of the price through the subscription of fund units recognised at an amount of 82 million euro, with no significant impact on the 2024 income statement.

The breakdown of the assigned debtors by economic sector was mainly concentrated in the following sectors:
– "Consumer Households" at 67.2%;
– "Production Companies" at 12.7%;
– and, to a residual extent, other business sectors.

The assets of the assigned debtors were broken down as follows by geographical area:
– 34.8% South and Islands;
– 29.4% North-West;
– 21.7% Centre;
– 14.1% North-East.

Two distributions were made during the year for an overall total of 65 million euro. Intesa Sanpaolo's share was 34 million euro. As at 31 December 2025, the Bank held a 41.87% stake (with voting rights limited to 35%) in the UTP Italia fund for a book value of 185 million euro. The measurement of the UTP Italia fund yielded a negative effect for the year of 11 million euro.

Efesto

Efesto is an alternative closed-end Italian securities fund (AIF). In July 2022, the sale of loans was finalised for a gross amount of 17 million euro and net exposure of 9 million euro, accompanied by the subscription of the units of the Fund for an amount of 7 million euro, without significant effects on the income statement for 2022.

Effective 20 March 2023, Intesa Sanpaolo finalised the sale of a loan portfolio with gross exposure of 320 million euro and net exposure of 181 million euro to the securitisation vehicle Esino SPV S.r.l., with the sale price netting the price of subscription of the Fund units. Following this transaction, Intesa Sanpaolo had increased its holding in the fund and had reclassified the interest from financial assets mandatorily measured at fair value to interests subject to significant influence.

In 2024, Intesa Sanpaolo transferred a loan portfolio for a total gross amount of 223 million euro, with payment of the price through the subscription of Fund units recognised at an amount of 194 million euro, with no significant impact on the 2024 income statement.

The breakdown of the assigned debtors by economic sector was mainly concentrated in the following sectors:
– "Consumer Households" at 51.9%;
– "Production Companies" at 38.4%;
– and, to a residual extent, other business sectors.

The assets of the assigned debtors were broken down as follows by geographical area:
– 31.7% North-West;
– 30.5% South and Islands;
– 27.8% Centre;
– 10% North-East.

In 2025, four distributions by the Fund were made for 187 million euro. Intesa Sanpaolo's *pro rata* share was 74 million euro. As at 31 December 2025, the Bank held a 38.60% stake in the Efesto fund for a book value of 237 million euro. The measurement of the Efesto Fund yielded an overall negative effect for the year of 25 million euro.

Lendlease MSG Heartbeat

In 2022, a complex operation regarding the Risanamento Group was launched, as part of the "Starfighter Project", to: i) develop the real estate project in the Milano Santa Giulia area; ii) enable the company to cover the commitments assumed with public and private parties, and iii) deconsolidate the on-balance sheet exposure due to the banks involved from Risanamento.

The Board of Directors of Intesa Sanpaolo approved the transaction on 2 February 2023, which was completed on 30 June 2023 following the fulfilment of the conditions precedent attached to the Term Sheet General Framework Agreement. The complex transaction aimed at the financial and corporate restructuring of the Risanamento Group included:

– the establishment of a closed-end Alternative Real Estate Investment Fund;
– the commitment by Intesa Sanpaolo and the other banks involved, and by the other stakeholders involved in the transaction, to subscribe to the units of the Fund;
– the deconsolidation of Intesa Sanpaolo's credit exposure and shareholders' loan with the Risanamento Group through the discharge by the Fund and simultaneous offsetting of the related loans, due to Intesa Sanpaolo and the other banks, with the commitments made by the banks towards the Fund against the subscription of units;
– the disbursement of new performing loans to the Fund;
– the maintenance of Risanamento's business operations.

The economic sector of the assigned debtors was mainly concentrated in "Non-financial companies". The transferred financial assets are primarily in the North-West area.
The Bank's credit exposure to the Risanamento Group was offset against the latter's commitments made in exchange for the subscription of class A1 and B2 units of the Lendlease MSG Heartbeat fund. Therefore, at the closing completed on 30 June 2023, Intesa Sanpaolo derecognised the loans due from Risanamento, including the shareholders' loan, recognising respectively the B2 and A1 units of the Fund received at fair value, at a value substantially aligned with the net value of the loans sold.
As at 31 December 2025, the Bank held a 52.75% stake (with voting rights limited to 40%) in the Lendlease MSG Heartbeat Fund, classified among investments subject to significant influence, for a book value of 45 million euro. The measurement of the Lendlease MSG Heartbeat Fund yielded a negative effect for the year of 87 million euro.

Retail & Leisure Fund

As part of the de-risking, in 2024 Intesa Sanpaolo sold a loan portfolio for a total gross amount of 164 million euro with underlying real estate assets, owed by seven counterparties operating in the mall & hospitality sector with unsatisfactory performance, lack of available equity to support the relaunch plan, and consequent situation of substantial stalemate and difficulty in formulating sustainable financial measures. The "Retail & Leisure" fund is an Alternative Investment Fund, focused on acquiring and managing high-risk and non-performing credit exposures, primarily backed by real estate, and owed by companies in temporary financial distress operating in the mall & hospitality segments (shopping centres). The fund is managed by IQ-EQ Fund Management with the support of the advisor Pillarstone, which is tasked managing the positions and the underlying assets. Upon the initial subscription, in exchange for the sale, Intesa Sanpaolo received shares representing 68% of the Fund, which, based on the economic and governance rights, were classified under interests subject to significant influence for a total of 126 million euro. In the first half of 2025, Intesa Sanpaolo transferred short-term credit facilities for a total gross amount of 12 million euro, with payment of the price through the subscription of fund units recognised at an amount of 9 million euro, with no significant impact on the 2025 income statement.
The breakdown of the assigned debtors by economic sector was mainly concentrated in the following sectors:
– "Production Companies" at 51%;
– "Other collective investments undertakings" at 44%;
– and, to a residual extent, other business sectors.

The assets of the assigned debtors were broken down as follows by geographical area:
– 67% North-West;
– 33% Centre.

In 2025, the Fund made a distribution of 2 million euro. Intesa Sanpaolo's *pro rata* share was 1 million euro. As at 31 December 2025, the Bank held a 56.52%[377] stake in the Retail & Leisure fund, classified among investments subject to significant influence, for a book value of 122 million euro, which takes account of the above-mentioned subscription of 9 million euro of units in 2025. The measurement of the Retail & Leisure fund yielded a negative effect for the year of 10 million euro.

UTP Restructuring Corporate

As part of the de-risking, in 2024, Intesa Sanpaolo sold a loan portfolio for a total gross amount of 160 million euro to the newly established fund managed by Arrow (UTP Restructuring Corporate), with payment of the price through the subscription of Fund units recognised at an amount of 137 million euro, with no significant impact on the 2024 income statement. The fund is an alternative closed-end Italian securities fund (AIF), reserved for professional investors. The purpose of the Fund is to carry out professional management aimed at maximising the value of the assets forming part of the Fund's portfolio. This involves actively participating in turnaround procedures and/or restructuring agreements and/or debtor balance plans; managing and exercising of rights related to equity investments and holding other financial instruments issued by the debtors, also through M&A or refinancing transactions; repossessions; and credit collection.
The breakdown of the assigned debtors by economic sector was concentrated in the "Production Companies" sector, accounting for 100%.
The assets of the assigned debtors were broken down as follows by geographical area:
– 55% North-East;
– 45% North-West.

As at 31 December 2025, the Bank held a 53.08% stake (with voting rights limited to 35%) in the UTP Restructuring Corporate Fund, classified among investments subject to significant influence, for a book value of 64 million euro. The measurement of the UTP Restructuring Corporate Fund yielded a negative effect for the year of 72 million euro.

[377] The interest is included under Companies subject to significant influence because, even though it represents a more complex situation than that typical of an ordinary non-controlling interest, the absence has been confirmed of the conditions for exercise of control envisaged by IFRS 10 on the basis of the corporate governance provisions in the articles of association/regulations.

Eleuteria Fund

As part of the de-risking initiatives, in 2025, Intesa Sanpaolo sold a portfolio of Corporate/SME loans – through a securitisation vehicle established in accordance with Law 130/1999 – with a total gross amount of 131 million euro for a price of 98 million euro, resulting in a negative impact of 10 million euro for the year. The consideration for the sale price was paid through the subscription of units in the Eleuteria fund. The Eleuteria fund is an Alternative Investment Fund (AIF) operating since 2021, specialised in the management of small and medium-sized loans granted to companies with different risk profiles. Upon the initial subscription, in exchange for the sale, Intesa Sanpaolo received shares representing 36% of the Fund, which, based on the economic and governance rights, were classified under interests subject to significant influence for a total of 88 million euro.
The breakdown of the assigned debtors by economic sector was mainly concentrated in the following sectors:
– "Production companies" at 88%;
– “Family businesses and consumer households” at 4%;
– and, to a residual extent, other business sectors.

The assets of the assigned debtors were broken down as follows by geographical area:
– 49% Centre;
– 24% North-West;
– 18% South and islands;
– 9% North-East.

As at 31 December 2025, the Bank held a 32.28% stake in the Eleuteria fund (with voting rights limited to 30%) classified among investments subject to significant influence, for a book value of 83 million euro. The measurement of the Eleuteria fund yielded a negative effect for the year of 5 million euro.

Clessidra Restructuring Fund

Clessidra Restructuring Fund (CRF fund) is an alternative closed-end investment fund reserved for institutional investors, dedicated to investing in loans classified as unlikely to pay to previously identified industrial companies. In September 2019, UBI Banca, which during 2021 was merged into Intesa Sanpaolo, had sold loans to five borrowers with a total gross amount of 17 million euro and a net exposure of 11 million euro, with concurrent subscription of the units of the CRF fund for an amount essentially in line with the net value of the transferred loans. The economic sector of the assigned debtors was mainly concentrated in “Manufacture of wooden doors and manufacture of furniture”. The transferred financial assets are primarily in the North-West area.
As at 31 December 2025, the Bank held a 4.34% stake in the CRF fund, classified among Financial assets mandatorily measured at fair value, for a book value of 6 million euro. The measurement of the Clessidra Restructuring fund yielded an immaterial negative effect during the year.

IDEA CCR Corporate Credit Recovery II Fund - Shipping Sub-fund

The Shipping Loans Sub-Fund refers to single-name, unlikely-to-pay non-performing loans with a sector focus on shipping companies. The Fund consists of three sub-funds: loans, new finance and shipping. Following the incorporation of UBI Banca in 2021, Intesa Sanpaolo also has a holding in the Shipping Sub-Fund against the sale of UBI loans with a total gross amount of 45 million euro and a net exposure of 31 million euro. As at 31 December 2025, the Bank held a 20.37% stake in the IDEA CCR II fund - Shipping Sub-Fund, classified among Financial assets mandatorily measured at fair value, with an immaterial book value.

Other information

For completeness, it should be noted that in 2023 Intesa Sanpaolo completed a transaction for the sale of performing on-balance sheet exposures (amounting to around 800 million euro in terms of Gross Book Value) to the Italian Commercial Real Estate sector, with a substantially neutral effect on the income statement. In summary, the transaction involved i) the transfer of part of the credit exposure to two real estate funds, in exchange for units of the transferee funds, and ii) the conversion of the remaining exposure into newly issued Equity Instruments. Lastly, in 2024 Intesa Sanpaolo completed a transaction for the sale of performing on-balance sheet exposures (amounting to around 80 million euro in terms of Gross Book Value) and Equity Instruments, with a substantially neutral effect on the income statement, by means of transfer of the Instruments to a real estate fund in exchange for units of that fund.

Prudential consolidation - Covered bond transactions

Covered bond transactions where the selling bank and the lending bank are the same must be reported under this section. Intesa Sanpaolo uses covered bonds mainly as a type of funding through securities guaranteed by assets originated by Intesa Sanpaolo or by other companies of the Group.

Intesa Sanpaolo has three programmes for the issuance of Covered Bonds, following the extinction of the first programme, for which the guarantor of the covered bonds was the vehicle ISP CB Pubblico, initiated in 2009 and closed in 2024.

In the second Programme, launched in 2010, amounting to a maximum of 35 billion euro (the original maximum amount was 20 billion euro), the guarantor of the covered bonds is the vehicle **ISP CB Ipotecario**, to which Italian residential mortgage loans and, initially bonds issued by Adriano Finance S.r.l., originated by Intesa Sanpaolo, were transferred.
The Bank gradually sold the vehicle mortgage loans with an original total nominal value of 65 billion euro (net of retrocessions).
In 2025, the following transactions were completed:
– in February, sale for an amount of 4.8 billion euro;
– in May, sales for an amount of 3.4 billion euro.
As at 31 December 2025, the loans sold to the vehicle had a book value of 34.5 billion euro.
Over time, against the sale of assets to the vehicle, Intesa Sanpaolo has carried out issues of Covered Bonds for a total nominal value of approximately 54.6 billion euro (of which a total of 28.3 billion euro subject to early redemption or matured at 31 December 2025).
As at 31 December 2024, a total nominal amount of 23 billion euro of issues made as part of the covered bond programme of the vehicle ISP CB Ipotecario was outstanding, of which 7.9 billion euro placed with third party investors and 15.1 billion euro subscribed by Intesa Sanpaolo. Part of the latter was used in repurchase agreements for an amount of 12.9 billion euro.
In 2025, the 14th series matured in January for an amount of 1 billion euro, the 24th series matured in July for an amount of 1 billion euro, and the 18th series matured in December for an amount of 1.25 billion euro. In addition, five issuances of Covered Bonds were made for a total amount of 6.6 billion euro:
– two retained series were issued in January:
  - the 39th for 1.5 billion euro, with a floating rate and a 6-year maturity;
  - the 40th for 1.5 billion euro, with a floating rate and an 11-year maturity;
– two retained series were issued in May:
  - the 41st for 1.6 billion euro, with a floating rate and a 7-year maturity;
  - the 42nd for 1.5 billion euro, with a floating rate and a 9-year maturity;
– a private placement was issued in December:
  - 43rd series for 500 million euro, with a floating rate and a 6-year maturity.

Accordingly, as at 31 December 2025, a total nominal amount of 26.3 billion euro of issues made as part of the covered bond programme of the vehicle ISP CB Ipotecario was outstanding, of which 5.2 billion euro placed with third party investors and 21.1 billion euro subscribed by Intesa Sanpaolo. Part of the latter is being used in repurchase agreements for an amount of 14 billion euro.
All the securities issued under the programme are listed on the Luxembourg Stock Exchange and have a Moody's Aa2 rating.

The third multi-originator Covered Bond issuance Programme, launched in 2012, has the vehicle **ISP OBG** as the guarantor of its securities. This programme is secured by mortgage loans for a maximum amount of 55 billion euro (the original maximum amount was 30 billion euro) and is aimed at realising the retained issues.
The portfolio used to collateralise the issues of Covered Bonds is composed of mortgages originated by Intesa Sanpaolo, Banco di Napoli, Cassa di Risparmio del Veneto, Cassa di Risparmio in Bologna and Banca CR Firenze (merged by incorporation into Intesa Sanpaolo between July 2018 and February 2019).
Over time, the Intesa Sanpaolo Group sold mortgages to the vehicle for an original total nominal value of 95.4 billion euro (net of retrocessions).
In 2025, Intesa Sanpaolo completed the following transactions:
– in February, buyback of non-performing loans for 44 million euro;
– in June, sale for an amount of 6.2 billion euro.
As at 31 December 2025, the loans sold to the vehicle by Intesa Sanpaolo had a book value of 40.3 billion euro.
Over time, against the sale of assets to the vehicle, Intesa Sanpaolo has carried out issues of Covered Bonds for a total nominal value of around 92.3 billion euro (of which a total of 56.2 billion euro subject to early redemption or matured at 31 December 2025).
As at 31 December 2024, there were issuances made under the programme guaranteed by the vehicle ISP OBG for a total nominal amount of 37.15 billion euro, fully subscribed by Intesa Sanpaolo, a part of which was subsequently used in repurchase agreements for an amount of 5.8 billion euro.
In 2025, the 25th retained series matured in February for the remaining amount of 500 million euro.
In March, the following retained series were redeemed early:
– 22nd, for the total amount of 1.75 billion euro;
– 33rd, for the amount of 185 million euro (with a consequent remaining amount of 1.465 billion euro);
– 36th, for the amount of 1.3 billion euro (with a consequent remaining amount of 500 million euro);
– 37th, for the amount of 250 million euro (with a consequent remaining amount of 1 billion euro);
– 38th, for the amount of 250 million euro (with a consequent remaining amount of 1.5 billion euro).
In December, three additional retained series were redeemed early:
– 23rd, for the total amount of 1.375 billion euro;
– 41st, for the amount of 1 billion euro (with a consequent remaining amount of 1 billion euro);
– 42nd, for the amount of 625 million euro (with a consequent remaining amount of 1.075 billion euro).

In addition, two issuances of retained covered bonds were made for a total amount of 6 billion euro:
– in March, the 48th series for 3 billion euro, with a fixed rate and an 8-year maturity;
– in December, the 49th retained series for 3 billion euro, with a fixed rate and a 13-year maturity.
Therefore, as at 31 December 2025, there were issuances made under the programme guaranteed by the vehicle ISP OBG for a total nominal amount of 35.9 billion euro, fully subscribed by Intesa Sanpaolo, part of which is being used in repurchase agreements for an amount of 5.3 billion euro.
All the securities issued as part of the programme are listed on the Luxembourg Stock Exchange and have a Morningstar DBRS AA (Low) rating.

The fourth programme was launched by the former UBI Banca Group in 2008.
Former UBI Banca, merged into Intesa Sanpaolo S.p.A. during 2021, included two Covered Bond Programmes, run by two special purpose vehicles named **UBI Finance** and **UBI Finance CB2**, respectively. The latter was closed in January 2021.
The programme still provides Intesa Sanpaolo with the right to issue securities, targeted to institutional investors, for a maximum amount of 15 billion euro. The Programme includes residential mortgage loans assigned by the former UBI Banca Group's network banks. These banks participated in the programme as Originator Banks and Lending Banks.
In 2025, Intesa Sanpaolo did not sell any mortgage loans to the vehicle, while loans were repurchased in February for a total value of 2.4 billion euro.
As at 31 December 2025, the loans sold to the vehicle had a book value of 3.6 billion euro.
As at 31 December 2024 a total nominal amount of 4.7 billion euro of issues made as part of the covered bond programme of the vehicle UBI Finance was outstanding, of which 4.5 billion euro placed with third party investors and 0.2 billion euro retained.
In 2025, the 17th series matured in February for an amount of 1 billion euro and the 31st series matured in September for an amount of 500 million euro. In July, the 28th series was redeemed early, for a residual amount of 200 million euro.
As at 31 December 2025 a total nominal amount of 3 billion euro of issues made as part of the covered bond programme of the vehicle UBI Finance was outstanding, all of which was placed with third party investors.
As at 31 December 2025, the bonds under the programme were assigned an Aa2 rating from Moody's and AAA from Morningstar DBRS.

The key figures for ISP CB Ipotecario, ISP OBG, and UBI Finance as at 31 December 2025 are shown in the table below.

(millions of euro)

COVERED BOND		VEHICLE DATA		SUBORDINATED LOAN (1)	COVERED BONDS ISSUED	
		Total assets	Cumulated write-downs on securitised portfolio	amount	Nominal amount (2)	Book value (2)
ISP CB IPOTECARIO	Residential mortgages	42,074	43	38,170	19,179	18,044
ISP OBG	Residential mortgages	45,749	103	45,434	5,349	5,000
UBI FINANCE	Residential mortgages	4,165	22	4,151	2,998	2,929

(1) This caption includes the subordinated loan granted to the vehicles for the purchase of the portfolio lodged as collateral for the CB. This loan is derecognised in the IAS-compliant separate financial statements. The amount of the loan refers to the issue already executed as part of an issue programme with a higher maximum amount.

(2) The nominal amount and the book value shown in the table are to be considered net of securities repurchased.

In addition to this type of Covered Bonds, provided for by Italian law (Law 80/2005), there are some mortgage bonds issued by the Slovak investee VUB. These are securities whose nominal value and returns are guaranteed by mortgage loans, i.e. loans to individuals with residual maturities up to 30 years, backed by a pledge on property located in the Slovak Republic, with a maximum loan-to-value of 80%.
Each issue has specific coverage, and the entire nominal value of the issue, including interest, must be backed by mortgage loans on local properties on at least 90% of their nominal value, and the remaining 10% possibly by liquidity or deposits with the National Bank of Slovakia, the European Central Bank, other European central banks or banks that meet the criteria set out in art. 129(1)(c) of Regulation (EU) 575/2013.
To cover the negative net cash flows expected from the covered bonds at 180 days, the issuer must maintain high-quality liquid assets pursuant to Articles 10 and 11 of Regulation (EU) 61/2015.
As at 31 December 2025, the subsidiary VUB had issued 4 billion euro in this type of securities, booked in the financial statements at a value of approximately 4 billion euro.

E. PRUDENTIAL CONSOLIDATION - MODELS FOR THE MEASUREMENT OF CREDIT RISK

As at 31 December 2025, the expected loss on performing loans to customers (which takes into account cash and unsecured loans) was 0.30%, down from 0.33% in 2024. The decrease was attributable to the improvement in the quality of the above-mentioned performing loan portfolio.

As at 31 December 2025, the economic capital amounted to 1.70% of disbursed loans, down slightly, considering performing loans to customers only, on the figure for 2024 (2.00%), mainly linked to the improvement in credit quality mentioned above.

For the companies included in the roll out plan, the internal rating (PD), LGD and EAD models are subject to a second level control process carried out by the Validation function on the adequacy of the existing methodological framework, on an annual basis in accordance with the rules established by the Supervisory Authority, as described in paragraph 2.3 of this Section, and a level three control by the Internal Audit Department. The control functions produce annual reports for the Supervisory Authority on the compliance of the models with the supervisory regulations, which also includes a verification on the deviations between estimates made and the actual figures, and they issue a compliance opinion when material model changes are made to the models. These reports, approved by the Board of Directors of Intesa Sanpaolo, confirm compliance with the regulatory requirements.

1.2. MARKET RISKS

As already mentioned in the Introduction, the Intesa Sanpaolo Group policies on financial risk taking are defined by the Parent Company's Management Bodies, with the support of specific Committees, including the Steering Committee, chaired by the Managing Director and CEO and composed of the heads of the main corporate departments, and the Group Financial Risk Committee.
The Steering Committee, a Group body with a decision-making, reporting and consulting role, is also assigned the functions of assisting the Managing Director and CEO in the performance of his duties, strengthening the coordination and cooperation mechanisms between the various business, governance and control areas of the Group, with a view to sharing the main business choices, and helping ensure coordinated and integrated risk management and the safeguarding of business value at Group level, including the correct functioning of the internal control system.
The Group Financial Risk Committee, chaired by the Chief Risk Officer and the Chief Financial Officer, is responsible for setting out the methodological and measurement guidelines for financial risks, establishing the operational limits and assessing the risk profile of the Group and its main operational units. The Committee also sets out the strategies for the management of the banking book to be submitted to the competent Bodies and establishes the guidelines on liquidity, interest rate and foreign exchange risk. The Committee operates on the basis of the operating and functional powers delegated by the Corporate Bodies and coordination of the Steering Committee.
The Group's overall financial risk profile and the eventual necessary changes are examined periodically by the Group Financial Risk Committee.
The Market & Financial Risk Management structure, within the Parent Company Chief Risk Officer Governance Area, is responsible for the development of financial and market risk measurement and monitoring methodologies as well as for the proposals on the Group's system of operational limits. It is also responsible in outsourcing for the risk measurement for certain operating units on the basis of specific service contracts.

The table below shows the captions of the consolidated Balance Sheet that are subject to monitoring in relation to the managerial market risks, showing the positions for which managerial VaR is the main risk measurement metric (the managerial VaR is calculated on a wider scope that than subject to the Internal Model for market risks. For a more in-depth discussion, refer to the subsequent paragraph), along with those for which risks are monitored with other metrics. The latter mostly include the sensitivity analysis to the different risk factors (interest rate, credit spread, etc.).

(millions of euro)

	BOOK VALUE (supervisory scope)	MAIN RISK MEASUREMENT METRICS		
		VaR	Other	Risk factors measured using metrics included under Other
Assets subject to market risk	**693,765**	**136,169**	**557,596**	
Financial assets held for trading	46,262	46,262	-	Interest rate risk, credit spread, equity
Financial assets designated at fair value	4	-	4	Interest rate risk, credit spread, equity
Other financial assets mandatorily measured at fair value	6,507	45	6,462	Interest rate risk, credit spread, equity
Financial assets measured at fair value through other comprehensive income (ifrs 7 par. 8 lett. h))	89,950	88,606	1,344	Interest rate risk, credit spread, equity
Due from banks	46,005	-	46,005	Interest rate risk
Loans to customers	487,844	-	487,844	Interest rate risk
Hedging derivatives	7,342	1,256	6,086	Interest rate risk
Investments in associates and companies subject to joint control	9,851	-	9,851	Equity risk
Liabilities subject to market risk	**695,791**	**67,252**	**628,539**	
Due to banks	56,543	-	56,543	Interest rate risk
Due to customers	468,653	-	468,653	Interest rate risk
Securities issued	101,047	-	101,047	Interest rate risk
Financial liabilities held for trading	39,711	39,711	-	Interest rate risk
Financial liabilities designated at fair value (ifrs 7 par. 8 lett. e))	27,196	27,196	-	-
Hedging derivatives	2,641	345	2,296	Interest rate risk

REGULATORY TRADING BOOK

1.2.1. INTEREST RATE RISK AND PRICE RISK

Qualitative information

General aspects

The regulatory requirements for the trading book are established in Regulation (EU) 876/2019 (CRR2 - Part Three, Title I, Chapter 3, in Articles 102, 103, and 104 respectively). The combined provisions of those articles lay down the set of minimum requirements for the identification of the trading strategies and the measurement and control of the associated risks.
In accordance with the requirements of the applicable regulations, the Intesa Sanpaolo Group has established an internal policy that identifies the trading book based on:
– measurement at fair value through profit or loss of the instruments held for trading;
– the strategies defined;
– the risk-taking centres identified;
– the monitoring, limitation and management of the risks defined in accordance with the internal regulations on market risk.
In particular, the assets classified in the regulatory trading book coincide – apart from some specific exceptions – with the financial assets held for trading (Bank of Italy Circular 262). This association derives from the set of strategies, powers, limits and controls that feed and guarantee the adjacency and consistency between the accounting and prudential portfolios.

Among risks associated with trading activity, i.e. market risks deriving from the effect that changes in market variables may generate on the Group's various assets and liabilities, the latter are generally quantified through daily and periodic analysis designed to determine the vulnerability of the Intesa Sanpaolo Group's trading book. A list of the main risk factors to which the Group's trading book is exposed is set out below:
– generic interest rate risk (including inflation rate risk);
– specific interest rate risk (credit spread variability in relation to trading in credit derivatives, bonds and loans);
– generic equity risk;
– specific equity risk;
– incremental risk of migration and default (incremental risk charge);
– foreign exchange risk;
– risk of implied volatility on optional instruments;
– risk of illiquid factors (correlation, dividends, ABS, OtS loans, hedge funds);
– position risk for units of UCIs;
– commodity position risk.

For some of the risk factors cited above and included in the managerial VaR (Value at Risk) measurements, the Supervisory Authority has validated the internal models for the reporting of the capital requirement of Intesa Sanpaolo. More specifically, concerning market risk, the risk profiles validated are: (i) generic and specific on debt securities and on equities; (ii) position risk on quotas of UCI with daily liquidity and (iii) commodity risk.

Risk management processes and measurement methods

The allocation of capital for trading activities is set by the Parent Company's Board of Directors, through the attribution of operating limits in terms of VaR to the various Group units.
The structure of limits reflects the risk level deemed to be acceptable with reference to single business areas, consistent with operating and strategic guidelines defined by top management. The attribution and control of limits at the various hierarchical levels implies the assignment of delegated powers to the heads of business areas, aimed at achieving the best trade-off between a controlled risk environment and the need for operating flexibility. The functioning of the system of limits and delegated powers is underpinned by the basic concepts of hierarchy and interaction.
The application of such principles led to the definition of a structure of limits in which the distinction between first level and second level limits is particularly important:
– **first-level limits (VaR)**: the overall limits of the Group as well as those of the IMI C&IB Division and Group Treasury & Capital Management Area are included in the Group's Risk Appetite Framework (RAF). At the same time, the Board of Directors of the Parent Company defines the operating limits in terms of VaR for other Group companies which hold smaller trading books whose risk is marginal. Following approval, these limits are then allocated to the desks of the individual legal entities, considering the proposals by the business units. Limit absorption trends and the relative congruity analysis are periodically assessed by the Group Financial Risk Committee and Board of Directors within the framework of the Tableau de Bord for the Group's risks;
– **second level limits** (**sensitivity and greeks**): they have the objective of controlling operations of the various desks on the basis of differentiated measures based on the specific characteristics of traded instruments and operating strategies, such as sensitivity, greeks and equivalent exposures;
– **other significant limits**: they have the objective of monitoring particular transactions (e.g. limits of negative maximum exposure of the valuation reserve, ceilings for transactions with issuer risk).
Some of these limits may be managed under the RAF.

The Parent Company represents the main portion of the Group's market risks, while some other Group subsidiaries hold smaller trading books with a marginal risk (approximately less than 10% of the Group's overall management risk): in particular, the risk factors of the international subsidiaries' trading books are local government bonds, positions in interest rates, and foreign exchange rates relating to linear pay-offs.

A more detailed representation of the market risk metrics monitored in the limit structure is set out below.

Managerial VaR

Definition: Value at Risk is a monetary estimate of risk based on statistical techniques capable of summarising the maximum probable loss, with a certain confidence level, that a financial position or portfolio may suffer in a given period (holding period) in response to changes in the risk factors underlying the measurement models caused by market dynamics.
Method: the mathematical and statistical models that make it possible to calculate VaR can be divided into two general categories: parametric approaches (variance/covariance) and approaches based on simulation techniques, such as that in use at Intesa Sanpaolo.
Specifically, the approach used in Intesa Sanpaolo has the following characteristics:
– historical simulation model based on the mark-to-future platform;
– a 99th percentile confidence interval;
– disposal period of 1 day;
– full revaluation of existing positions.

Historical simulation scenarios are calculated internally on time series of one-year risk factors (250 observations). For management purposes, a non-equal probability of occurrence is associated with each scenario, decreasing exponentially as a function of time, to privilege the informational content of the most recent data. For regulatory purposes, scenarios are equally weighted when calculating the capital requirement.
Please note that, in the first quarter of 2025, on the ordinary annual update of the market risk managerial framework, the Board of Directors (as part of the 2025 Group Risk Appetite Framework) confirmed the specific limit for trading within an overall limit for trading and the hold to collect and sell (HTCS) business model.

Sensitivity and greeks

Definition: sensitivity measures the risk attributable to a change in the theoretical value of a financial position to changes of a defined quantity of risk factors connected thereto. It therefore summarises:
– the extent and direction of the change in the form of multipliers or monetary changes in theoretical value;
– without explicit assumptions on the time horizon;
– without explicit assumptions of correlation between risk factors.

Method: the sensitivity indicator can be constructed using the following techniques:
– calculation of prime and second derivatives of the valuation formulae;
– calculation of the difference between the initial value and that resulting from the application of unidirectional shocks independent of risk factors (delta, gamma, vega, CR01 and PV01).

Sensitivity measures make risk profiling more accurate, especially in the presence of option components. These measure the risk attributable to a change in the value of a financial position to predefined changes in valuation parameters including a one basis point increase in interest rates.

Level measures

Definition: Level measures, used also as ratios, are indicators supporting synthetic risk metrics which are based on the assumption of a direct relationship between the size of a financial position and the risk profile. In particular, level measures make it possible to monitor the nature of exposures to certain issuers and economic groups.
The main level measure indicators are nominal (or equivalent) position and average duration metrics; level indicators also include the Negative Maximum Exposure of the Valuation Reserve measures characteristic of the HTCS business model.
Method: nominal (or equivalent) position is determined by identifying:
– the notional amount;
– the mark to market;
– the conversion of the position of one or more instruments to that of a given benchmark (equivalent position);
– the FX exposure.

When determining the equivalent position, risk is defined as the value of the various assets, converted into an aggregate position that is "equivalent" in terms of sensitivity to the change in the risk factors investigated.
At Intesa Sanpaolo the approach is characterised by extended use of ceilings in terms of MtM, as representative of the value of the assets as recognised.

Stress tests

Definition: stress tests are conducted periodically to identify and monitor potential vulnerabilities in trading books upon the occurrence of extreme, rare events not fully captured by VaR models.

Method: Stress tests for management purposes are applied periodically to market risk exposures, typically adopting:

– sensitivity analysis, which measures the potential impact on the main risk metrics of a change in a single risk factor or simple multi-risk factors;
– scenario analysis, which measures the potential impact on the main risk metrics of a certain scenario that considers multiple risk factors.

The stress exercises conducted on trading books come under the scope of the Group Stress Testing Programme discussed in the Introduction to this Part E.

Stressed VaR

Definition: the stressed VaR metric is based on the same measurement techniques as VaR. In contrast to the latter, it is calculated by applying market stress conditions recorded over an uninterrupted 12-month historical period.

Method: that period was identified considering the following guidelines:

– the period must represent a stress scenario for the portfolio;
– the period must have a significant impact on the main risk factors for the portfolio of Intesa Sanpaolo;
– the period must allow real time series to be used for all portfolio risk factors.

While using the historical simulation approach for VaR calculation, the latter point is a discriminating condition in the selection of the holding period. Actually, in order to ensure that the scenario adopted is effectively consistent and to avoid the use of driver or comparable factors, the historical period must ensure the effective availability of market data.

As at the date of preparation of the 2025 Annual Report, the period for the measurement of Stressed VaR for Intesa Sanpaolo was from 3 October 2011 to 20 September 2012.

For managerial purposes, the stressed VaR metric is calculated on the entire set of the Group's portfolios measured at fair value (trading and FVOCI in the banking scope) and the stressed period is revised at least annually, together with the annual update to the market risk management framework (Risk Appetite Framework).

Incremental Risk Charge (IRC)

Definition: The Incremental Risk Charge (IRC) is the maximum potential loss in the credit trading book resulting from an upgrade/downgrade or bankruptcy of the issuers, over a 1-year period, with a 99.9% confidence level. This measure, which is additional to the VaR, is applied to the entire trading book of Intesa Sanpaolo (just as for the other regulatory metrics, it is not applied to the sub-portfolios).

The IRC enables the correct representation of the specific risk on debt securities and credit derivatives because, in addition to idiosyncratic risk, it also captures event and default risk.

This measure applies to all financial products that are sensitive to credit spreads included in the trading book except for the securitisations.

Method: The simulation is based on a Modified Merton Model. The probabilities of transition and default are those observed through the historical matrices of the main rating agencies, applying a default probability minimum value greater than or equal to 0.01%. The asset correlation is inferred from the equity correlation of the issuers. The model is based on the assumption of a constant position with a holding period of one year.

A regular stress program is applied to the model's main parameters (correlation, and transition, default and credit spread matrices).

Quantitative information

Daily managerial VaR evolution

Below is a summary of the daily managerial VaR for the trading book only, which also shows the overall exposure of the main risk-taking centres.

Daily managerial VaR of the trading book

Compared to the average for the third quarter of 2025, in the fourth quarter of 2025, as shown in the table below, there was a reduction in the trading managerial risks (29.6 million euro in the third quarter of 2025 and 22.7 million euro in the fourth quarter of 2025) mainly attributable to the scenario "rolling effect".

(millions of euro)

	average 4th quarter	minimum 4th quarter	maximum 4th quarter	average 3rd quarter	average 2nd quarter	average 1st quarter
Total Group Trading Book [a]	22.7	18.1	27.0	29.6	32.8	26.8
of which: Group Treasury & Capital Management	*5.8*	*2.8*	*9.7*	*4.5*	*6.1*	*11.8*
of which: IMI C&IB Division	*18.3*	*14.2*	*21.4*	*21.9*	*20.6*	*15.0*

The table shows the historical variability of the daily managerial VaR calculated on the quarterly time series of Intesa Sanpaolo Group (including the subsidiaries in the perimeter), Group Treasury & Capital Management and IMI C&IB Division respectively. The values calculated on the Group perimeter (average, minimum and maximum) do not correspond to the sum of the values of the individual columns, because they are recalculated on the aggregate time series which also includes the subsidiaries in the perimeter.

(a) The Group Trading Book figure includes the managerial VaR of Group Treasury & Capital Management, IMI C&IB Division (Trading Book perimeter) and the subsidiaries in the perimeter.

As shown in the table below, the average VaR for 2025, compared to 2024, came to 28.0 million euro, substantially stable with respect to 28.6 million euro recorded in 2024.

Daily managerial VaR of the trading book - Comparison 2025 – 2024

(millions of euro)

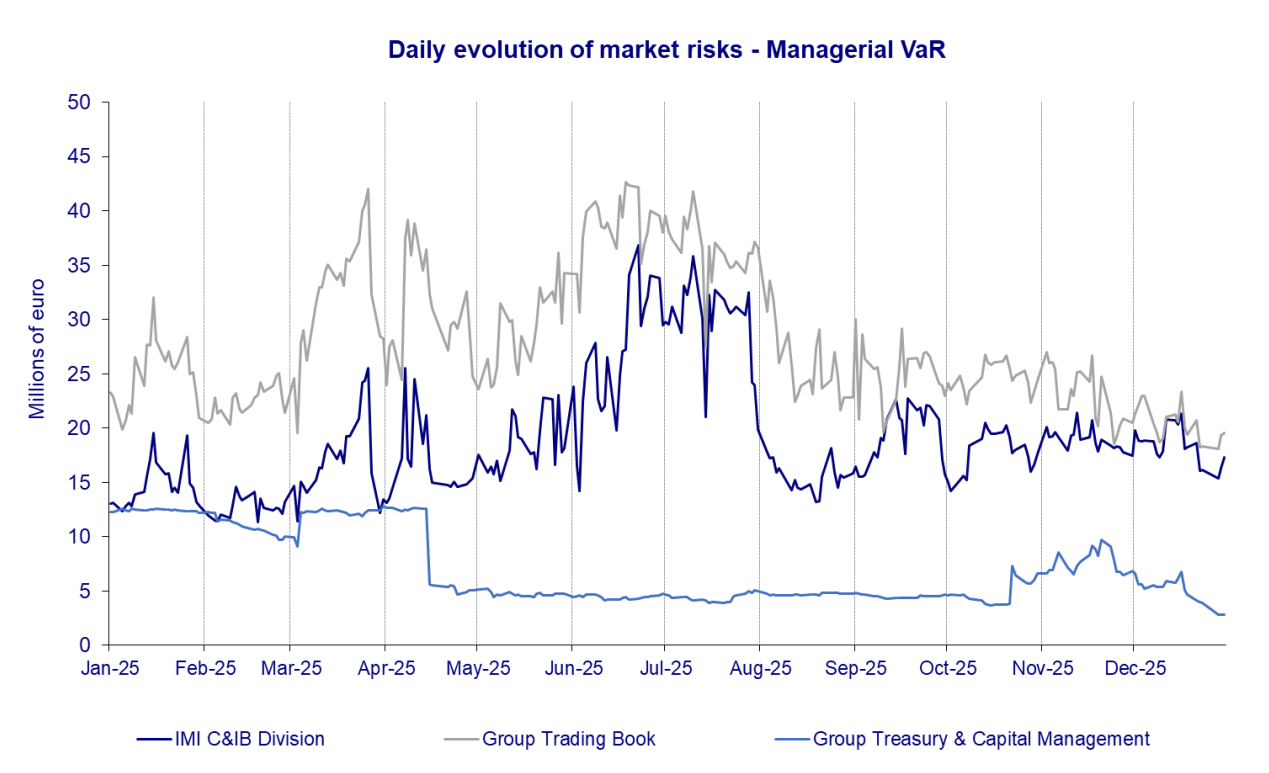
	2025				2024		
	average	minimum	maximum	last day	average	minimum	maximum
Total Group Trading Book [a]	28.0	18.1	42.6	19.6	28.6	19.4	42.2
of which: Group Treasury & Capital Management	*7.0*	*2.8*	*12.8*	*2.8*	*11.4*	*2.8*	*16.2*
of which: IMI C&IB Division	*19.0*	*11.4*	*36.9*	*17.3*	*18.3*	*11.0*	*32.6*

The table shows the historical variability of the daily managerial VaR calculated on the annual time series of Intesa Sanpaolo Group (including the subsidiaries in the perimeter), Group Treasury & Capital Management and IMI C&IB Division respectively. The values calculated on the Group perimeter (average, minimum and maximum) do not correspond to the sum of the values of the individual columns, because they are recalculated on the aggregate time series which also includes the subsidiaries in the perimeter.

(a) The Group Trading Book figure includes the managerial VaR of Group Treasury & Capital Management, IMI C&IB Division (Trading Book perimeter) and the subsidiaries in the perimeter.

In addition, as shown in the graph below, the main contribution to the movements in the trading VaR continues to be the trading conducted by the IMI C&IB Division.

The movements are shown in the chart below:



The breakdown of the Group's risk profile in the trading book in the fourth quarter of 2025 shows a prevalence of interest rate risk and credit spread risk, accounting for 36% and 29% respectively, of the Group's total managerial VaR. The individual risk-taking centres, on the other hand, show a prevalence of interest rate, equity and exchange rate risk for the Group Treasury & Capital Management (39%, 37% and 23%, respectively) and credit spread, interest rate and equity risk for the IMI C&IB Division (31%, 30% and 25%, respectively).

Contribution of risk factors to total managerial VaR

4th quarter 2025	Shares	Interest rates	Credit spreads	Foreign exchange rates	Other parameters	Commodities
Group Treasury & Capital Management	37%	39%	1%	23%	0%	0%
IMI C&IB Division	25%	30%	31%	4%	6%	4%
Group Total	**17%**	**36%**	**29%**	**9%**	**5%**	**4%**

The table sets out the contribution of risk factors considering 100% the overall capital at risk, calculated as the average of daily estimates in the fourth quarter of 2025, broken down between Group Treasury & Capital Management and IMI C&IB Division, in addition to the distribution of the Group's overall capital at risk (including the subsidiaries in the perimeter).

Risk control with regard to the activity of the Intesa Sanpaolo Group also uses scenario analyses and stress tests. The impact of selected scenarios relating to the evolution of stock prices, interest rates, credit spreads, foreign exchange rates, commodity prices and inflation at the end of December is summarised in the following table:

(millions of euro)

	EQUITY		INTEREST RATES		CREDIT SPREADS		FOREIGN EXCHANGE RATES		COMMODITIES		INFLATION	
	Crash	Bullish	+40bps	lower rate	-25bps	+25bps	-5%	+5%	Crash	Bullish	Up	Down
Total Trading Book	116	71	-61	58	-24	32	23	24	-11	12	1	-1

In particular:

– for positions in interest rates, there would be potential losses of -61 million euro in the event of a 40 basis point rise in interest rates;

– for positions in credit spreads, a tightening of credit spreads of 25 basis points would result in an overall loss of -24 million euro;
– for positions in commodities, there would be a loss of -11 million euro in the event of a fall in prices of commodities other than precious metals;
– lastly, for the inflation-indexed positions, there would be potential loss of -1 million euro in the event of a reduction in inflation.

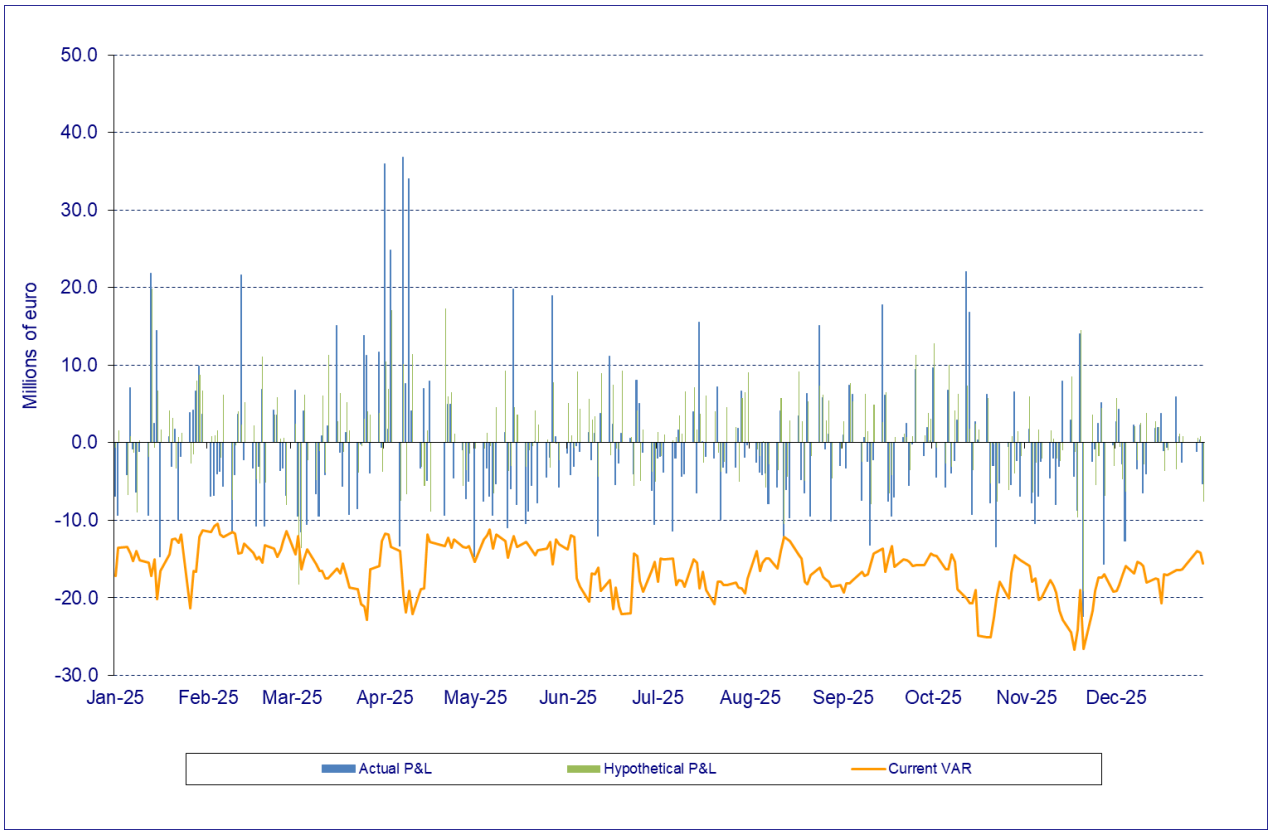
With regard to the use of the overall limit relating to trading and the hold to collect and sell (HTCS) business model, the market managerial VaR in the fourth quarter of 2025 fell to 136.0 million euro (average managerial VaR fourth quarter of 2025), compared to 158.3 million euro in the previous period (average managerial VaR third quarter of 2025). The average figure for 2025 came to 161 million euro, up on the average figure for 2024 (average figure of 141.8 million euro).

Backtesting

The soundness of the VaR calculation methods must be monitored daily via backtesting which, for the regulatory backtesting, compares:
– the daily estimates of value at risk;
– the daily profits/losses based on backtesting which are determined using actual daily profits and losses achieved by individual desks, net of components which are not considered in backtesting: these include, for example, fees and financial costs of managing the positions that are regularly reported within the managerial area.

Backtesting allows verification of the model's capability of correctly seizing, from a statistical viewpoint, the variability in the daily valuation of trading positions, covering an observation period of one year (approximately 250 estimates). Any critical situations relative to the adequacy of the internal model are represented by situations in which daily profits/losses based on backtesting highlight more than four occasions, in the year of observation, in which the daily loss is higher than the value at risk estimate. Current regulations require that backtesting is performed by taking into consideration both the actual and hypothetical P&L series.

During the last twelve months, a backtesting overshooting[378] occurred for the regulatory VaR measure on 5 March 2025 related to Hypothetical P&L The breach is attributable to the interest rate risk component, reflecting the pronounced increase in euro-area yields.



[378] In the last 250 observations, the Bank has recorded an Actual P&L exception and/or a Hypothetical P&L exception. For the total calculation, in accordance with the applicable regulations, the maximum between Actual P&L and Hypothetical P&L exceptions is counted.

Issuer risk

Issuer risk in the trading portfolio is analysed through level measures, i.e. in terms of mark to market, with exposures aggregated by rating class and sector, and is monitored through a system of operating limits based on both sector/rating classes and concentration indexes.

Breakdown of exposures by type of issuer

	Total	Of which					
		Corporate	Financial	Emerging	Covered	Government	Securitis.
Group Treasury & Capital Management	0%	0%	0%	0%	0%	0%	0%
IMI C&IB Division	100%	23%	26%	0%	2%	15%	34%
Total	**100%**	**23%**	**26%**	**0%**	**2%**	**15%**	**34%**

The table sets out in the Total column the contribution of the Group Treasury & Capital Management and the IMI C&IB Division to overall issuer risk exposures, breaking down the exposure by type of issuer. The scope corresponds to the trading portfolio with an issuer ceiling (excluding Italian Government bonds, AAA and own bonds) and including CDS.

The breakdown of the portfolio subject to issuer risk shows an exposure attributable solely to the IMI C&IB Division and mainly in the securitisation, financial and corporate segments.

BANKING BOOK

1.2.2 INTEREST RATE RISK AND PRICE RISK

Qualitative information

General aspects, interest rate risk and price risk management processes and measurement methods

The "banking book" is defined as the commercial portfolio consisting of all the on-balance sheet and off-balance sheet items that are part of the Intesa Sanpaolo Group's lending and deposit collecting activities. Therefore, the interest rate risk of the banking book (hereinafter "interest rate risk" or IRRBB) refers to the current and prospective risk of changes in the economic value and the net interest income of the Group's banking book due to adverse changes in interest rates, which reflect on both the economic value and the net interest income.
The banking book also includes the equity investments in listed companies not fully consolidated, mainly held by the Parent Company.
The internal system for measuring interest rate risk assesses and describes the effect of changes in interest rates on the economic value and the net interest income and identifies all significant sources of risk that affect the banking book:

– repricing risk, i.e. the risk associated with lags in maturity dates (for fixed-rate positions) or in the interest rate revision date (for floating-rate positions) of the assets, liabilities and off-balance sheet items;
– yield curve risk, i.e. the risk associated with changes in the inclination and shape of the yield curve;
– basis risk, i.e. the risk arising from imperfect correlation in the adjustment of lending and deposit rates on different instruments, but with otherwise similar repricing characteristics. As interest rates change, these differences can lead to unexpected changes in cash flows and yield spreads between assets, liabilities and off-balance sheet positions having similar maturities or rate revision frequencies;
– optionality risk, i.e. the risk associated with the presence of automatic or behavioural options in the Group's assets, liabilities and off-balance sheet instruments.

Intesa Sanpaolo's current measurement system also allows the risk profile to be examined on the basis of two distinct but complementary perspectives:

– **economic value perspective** (EVE – Economic Value of Equity), which considers the impact of interest rate fluctuations and the associated volatility on the present value of all future cash flows;
– **net interest income perspective** (NII - Net Interest Income), which aims to analyse the impact of interest rate fluctuations and their associated volatility on net interest income.

The economic value perspective assesses the medium-to-long term impacts of interest rate fluctuations, while the net interest income perspective provides a short-term assessment.
Interest rate risk is managed by setting limits to both perspectives. Said limits comprise:

– consolidated limits, which are defined in the RAF and approved by the Board of Directors, both in terms of change in EVE (sensitivity of the economic value or ΔEVE) and net interest income sensitivity (ΔNII). The consolidated ΔEVE limits reflect, consistent with the context and regulatory instructions, the average expected exposure of the Group's ΔEVE. The expected average level is quantified within the RAF and defined as the average exposure that the Group expects to take during the year. The Group's consolidated sensitivity limits EVE and NII are accompanied by two risk indicators, which constitute an early warning threshold approved within the Risk Appetite Framework (RAF), which make it possible to control exposure to the risk of yield curve twists;
– individual shift sensitivity of the economic value and net interest income sensitivity limits, which are part of the "cascading" process of the Group's RAF limit, and are proposed, after being shared with the operating structures, by Market & Financial Risk Management and approved by the Group Financial Risk Committee (GFRC).

These limits take account of the characteristics of the banks'/divisions' portfolios, with particular reference to intermediated volumes, average durations, the type of instruments traded and the company's strategic mission within the Group.

Market & Financial Risk Management performs monthly checks that the limits and early warning level approved in the Risk Appetite Framework (RAF) are observed at the consolidated and individual level. In addition, the Group has adopted a specific internal policy document regarding interest rate risk (the Guidelines on banking book interest rate and credit spread risk governance) subject to approval by the Board of Directors, which governs the Group's entire interest rate risk management framework and in particular the aspects of governance, methods of use and formulation of scenarios.
The IRRBB Guidelines define the methods for measuring the financial risks generated by the Group's banking book:

– Sensitivity of economic value (ΔEVE);
– Net interest income sensitivity (ΔNII);
– Basis risk of ΔEVE and ΔNII;
– Credit Spread Risk of the Banking Book (CSRBB);
– Value at Risk (VaR).

These measures are available for each relevant currency in the banking book.

The **sensitivity of the economic value** (or sensitivity of the fair value) measures the change in the economic value of the banking book and is calculated at individual cash flow level for each financial instrument, based on different instantaneous rate shocks and based on historical stress simulations aimed at identifying the worst and best cases. It reflects the changes in the present value of the cash flows of the positions already in the balance sheet for the entire remaining duration until maturity (run-off balance sheet). The cash flows used to determine the present value are developed at the risk-free rate (Euribor/Libor) and discounted according to risk-free discount curves.
To control the exposure and monitor the limits, the calculation involves determining the algebraic sum of the equivalent in euro of the sensitivities of the positions in the various currencies by applying a parallel shock of +100 basis points to the interest rate curves in the various currencies. The calculation for non-parallel shocks for the purposes of controlling the exposure and monitoring the early warning level is performed similarly. The sensitivity of the relevant currencies is then corrected, according to a "currency aggregation" management technique, to take account of the imperfect correlation with the rates of the main currency (the euro).

The **sensitivity of net interest income** focuses the analysis on the impact that changes in interest rates can have on the Group's ability to generate stable profit levels. The component of profits measured is represented by the difference between the net interest income generated by interest-bearing assets and liabilities, including the results of hedging activities through the use of derivatives. The time horizon of reference is commonly limited to the short and medium term (from one to three years) and the impact is assessed on a going concern basis. The change in net interest income is estimated under expected scenarios as well as under potential interest rate shocks and stress scenarios. Further assumptions are made regarding customer behaviour (differentiated according to interest rate scenarios) and market behaviour and the response of Group/Bank management to changes in the economy. Thus, the projection of the net interest income and its sensitivity to changes in market factors require a series of modelling assumptions for the development of volumes and rates (fixed/floating), the reference time horizon, the relevant currencies, as well as the behavioural models introduced (prepayment, core deposits, etc.) and the assumptions regarding the evolution of the portfolio (run-off, constant or dynamic balance sheet).
The net interest income sensitivity limits are set on the basis of an instantaneous and parallel interest rate shock of +/-50 basis points, with a reference time horizon of 1 year and assuming a constant balance sheet. The net interest income sensitivity limit is defined as the limit on the loss in the income statement and, therefore, is exclusively negative (limit on the potential reduction in the net interest income): the use of the limit is represented by the sensitivity that generates a greater reduction in net interest income in the two scenarios of a parallel rise and fall in interest rates. The total sensitivity exposure of net interest income is given by the algebraic sum of the exposure of individual currencies.
The limit assigned to each company is defined consistently with the strategies and limits defined for the sensitivity of economic value.

Basis risk is defined by the EBA IRRBB Guidelines as the risk arising from the impact of relative changes in interest rates on interest rate sensitive instruments that have similar tenors but are priced using different interest rate indices. The risk intends to capture the impact on the economic value of equity (EVE) and net interest income (NII) arising from changes in the difference (i.e., basis) between the market indices to which the banking book positions are referenced. The internal methodology used to measure this risk assesses the positions denominated in EUR and USD, which are material for the Group, and calculates the bases as the difference with respect to an O/N parameter for each currency, elected as the “risk free parameter” (€STR for EUR, SOFR for USD).
For the determination of the operational limits in terms of ΔEVE and ΔNII, widening and tightening shocks to the bases are defined, calibrated using a historical simulation methodology.

Based on the definition by the EBA, **CSRBB** – **Credit Spread Risk of the Banking Book** is the risk driven by changes of the market credit spread and market liquidity spread, which respectively represent the credit risk premium required by market operators for a specific credit quality and liquidity premium, which stimulates the market appetite of investors, and by other potential characteristics of credit risk instruments which are not detected by other existing prudential frameworks. The CSRBB framework was introduced as a criterion to assess and monitor the risk deriving from market credit spreads and market liquidity spreads, which impact the EVE and the NII of the bank’s non-trading assets.
The Group is committed to ensuring an appropriate governance process for CSRBB risk aimed at preserving the corporate economic capital and maximising shareholder value from fluctuations in market credit spreads.
The Group also pays particular attention to CSRBB risk positions arising from tradable assets and liabilities, focusing particularly on the bond portfolio of the banking book, as it is the risk area with the most severe potential impact under a market credit spreads stress scenario.

Value at Risk (VaR) is a probability-based metric that expresses the maximum potential loss of portfolio value that could be incurred within a specific time horizon, at a pre-defined confidence level. VaR is also used to consolidate exposure to financial risks of the various Group companies which perform banking book activities, also taking into account the benefits of diversification and the correlation between various risk factors and different currencies. This measure is calculated and monitored, for the entire scope, by Market & Financial Risk Management.

In calculating the above risk measures, Intesa Sanpaolo adopts behavioural models for representing capital items.

For mortgages, statistical techniques are used to determine the probability of prepayment, in order to reduce the risk of excess hedging in relation to real exposure to interest rate risk (overhedging) and liquidity risk (overfunding). The prepayment ratios for Retail mortgages and consumer loans are estimated through a Survival Analysis that expresses the repricing portfolio of each single mortgage, based on macroeconomic variables, personal details of the counterparty and financial variables.

For core deposits (customer current accounts), a financial representation model is adopted aimed at reflecting the behavioural features of stability of deposits and partial and delayed reaction to market interest rate fluctuations.

Both models are continuously monitored and periodically revised to promptly reflect changes in customer behaviour and characteristics over time, as well as in the relevant regulatory framework.

In order to measure the Group's vulnerability to market turbulence, the interest rate risk measurement system measures the impacts on the economic value and net interest income produced by strains on the market ("scenario analysis"), i.e. sudden changes in the general level of interest rates, changes in the relationships between fundamental market rates (basis risk), in the slope and shape of the yield curve (yield curve risk), in the liquidity of the main financial markets or in the volatility of market rates.
These analyses are conducted by subjecting the portfolio to various interest rate change scenarios:

– regulatory scenarios produced by the Supervisory Outlier Test (SOT), which establishes an early warning relating to changes in economic value of 15% of Tier 1, calculated with reference to the BCBS scenarios (Parallel shock up, Parallel shock down, Steepener shock, Flattener shock, Short rates shock up and Short rates shock down), and changes in net interest income equal to 5% of Tier 1, calculated solely with reference to the parallel scenarios (parallel shock up and parallel shock down);
– shocks diversified by reference curve of the main risk factors and calculated as the difference between the yields of the curves of the individual factors and those of a curve relating to the selected pivot parameter (basis risk);
– stress scenarios in historical simulation.

Stress tests on behavioural models are also carried out to verify the financial impact of alternative assumptions underlying the behavioural parameters estimated in the models. The methodological assumptions underlying the assumptions contained in the stress scenarios are duly described in the detailed methodologies. In addition, within the framework of the dynamic simulation of net interest income, an additional behavioural model is adopted to simulate the effects of potential renegotiations of the contractual conditions of medium/long-term assets. In terms of risks, renegotiations modify the duration of the portfolio of medium/long-term loans and entail a decline in net interest income due to the revision of the contractual rates/spreads to include conditions more advantageous to customers. Specific models have been estimated to ensure a proper representation of the renegotiations phenomenon in terms of the percentages of mortgage loans renegotiated and their financial characteristics.

Quantitative information

Banking book: internal models and other sensitivity analysis methodologies

In 2025, the interest rate risk generated by the Intesa Sanpaolo Group's banking book, measured through shift sensitivity of economic value (or fair value sensitivity), averaged -2,634 million euro, with a maximum value of -2,716 million euro reached at the end of January 2025, and a minimum value of -2,529 million euro, with the latter coinciding with the value at the end of July 2025. The amount at the end of December, of -2,639 million euro, was up slightly on the figure at the end of December 2024 which amounted to -2,565 million euro (-74 million euro). The increase in sensitivity recorded in December 2025, compared to the figure of December 2024, is linked to the activation of the planned positioning strategies implemented in line with the expected process of normalisation of the yield curves.

The sensitivity of net interest income – assuming a +50, -50 and +100 basis point change in interest rates – amounted to +222 million euro, -269 million euro and +430 million euro, respectively, at the end of December 2025.

The last of these was up (+454 million euro) on the figure at the end of 2024, as a result of the application of the updated internal reactivity model, which reflected the specific elasticity measured at the level of each individual account and also included the new time series incorporating the recent phase of decline in short-term market interest rates (from end-2024 to end-2025). The change also reflected the growth in customer current account volumes and the management of the related hedges during the year, aimed at aligning the overall risk profile of the portfolio with the expected trend in interest rates.
The table and charts below provide a representation of the performance of the sensitivity of economic value (or the sensitivity of fair value) and the sensitivity of net interest income.

(millions of euro)

Risk Measures	2025			31.12.2025	31.12.2024
	average	minimum	maximum		
Sensitivity of the Economic Value +100 bp	-2,634	-2,529	-2,716	-2,639	-2,565
Sensitivity of Net Interest Income -50 bp	-55	28	-269	-269	-69
Sensitivity of Net Interest Income +50 bp	113	-13	222	222	13
Sensitivity of Net Interest Income +100 bp	179	-61	430	430	-24

The sensitivity of net interest income as at 31 December 2025 reflects the new internal reactivity model representing the Bank's best forward-looking estimate of net interest income.

Interest rate risk, measured in terms of VaR, averaged 703 million euro in 2025, with a maximum value of 808 million euro, reached at the end of April, and a minimum value of 612 million euro, recorded at the end of November 2025, settling at 681 million euro at the end of December 2025. The last of these was up by 81 million euro compared with the figure of 600 million euro at the end of 2024, due to the increase in the banking book's exposure to changes in interest rates.
Foreign exchange risk, expressed by equity investments in foreign currency (banking book) and measured in terms of VaR, averaged 110 million euro in 2025, with a minimum value of 68 million euro, recorded in December 2025, and a maximum value of 153 million euro, recorded in June 2025. The figure for December 2025 was down (-16 million euro) compared to the end of December 2024.

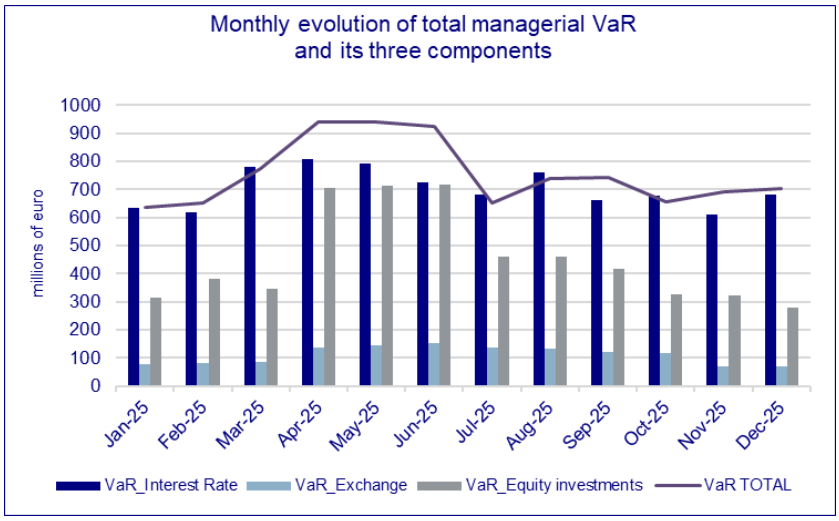
Price risk generated by the equity portfolio, measured in terms of VaR, recorded an average level during 2025 of 454 million euro, with maximum and minimum values of 716 million euro and 280 million euro, respectively, and came to 280 million euro at the end of December 2025, down by -127 million euro on 407 million euro at the end of December 2024. This change was mainly due to the decrease in the price volatility of the equity portfolio, particularly in the second half of 2025.

Total VaR, consisting of the three components described above (Interest Rate VaR, Exchange VaR and Equity VaR) averaged 755 million euro in 2025, with a maximum value of 942 million euro and a minimum value of 637 million euro, reaching a figure of 705 million euro at the end of December 2025, up by 79 million euro on the value at the end of December 2024 of 626 million euro, mainly due to the increase in the banking book's exposure to changes in interest rates.

The table and chart below provide a representation of the performance of total VaR and its three components (Interest Rate VaR, Exchange VaR and Equity Investments VaR).

(millions of euro)

	2025			31.12.2025	31.12.2024
	average	minimum	maximum		
Value at Risk - Interest Rate	703	612	808	681	600
Value at Risk - Exchange	110	68	153	68	84
Value at Risk - Equity investments	454	280	716	280	407
Total Value at Risk	**755**	**637**	**942**	**705**	**626**



Lastly, the table below shows a sensitivity analysis of the banking book to price risk, measuring the impact on Shareholders' Equity of a price shock of ±10% for the portfolio of quoted minority stakes, largely classified to the HTCS category.

Price risk: impact on Shareholders' Equity

		Impact on shareholders' equity at 31.12.2025	Impact on shareholders' equity at 30.09.2025	Impact on shareholders' equity at 30.06.2025	Impact on shareholders' equity at 31.03.2025	Impact on shareholders' equity at 31.12.2024
Price shock	10%	86	93	93	83	74
Price shock	-10%	-86	-93	-93	-83	-74

1.2.3. FOREIGN EXCHANGE RISK

Qualitative information

A. General aspects, foreign exchange risk management processes and measurement methods

With regard to the positions denominated in currencies other than the domestic currency in which the financial statements are prepared, "Foreign Exchange Risk" is defined as the potential adverse effect resulting from changes in the exchange rate between currencies that could have a negative impact on the valuation of the assets and liabilities in the financial statements and on the earnings and capital ratios. The appreciation or depreciation of a currency affects the capital ratio both through changes in capital (numerator of the ratio) and through changes in the risk weighted assets in foreign currency (denominator of the ratio).

Foreign exchange risks are traditionally divided into:

- *Structural Foreign Exchange Risk*: defined as the potential adverse effect of changes in the exchange rate between currencies that could have a negative impact on the Foreign Exchange Reserves that are part of the consolidated shareholders' equity, for Equity investments measured at cost (in the individual financial statements), or on the other comprehensive income (OCI) reserve for equity instruments measured at fair value through other comprehensive income (FVTOCI);
- *Transaction Foreign Exchange Risk*: the potential loss resulting from changes in the currencies exchange rate that may have negative impacts both on the valuation of the assets and liabilities in the financial statements when converted into the reporting currency and on the earnings from funding, lending and investment/disinvestment transactions in currencies other than the euro;
- *Transaction Foreign Exchange Risk associated with Structural Foreign Exchange Risk:* the foreign exchange risk related to the approved dividends of the investments in associates and companies subject to joint control and the risk related to the management of foreign exchange risk arising from extraordinary transactions related to the management of the Investments in associates and companies subject to joint control. It also includes the profits/losses of the international branches;
- *Translation Foreign Exchange Risk:* the foreign exchange risk arising from the translation into euro (the Group's reporting currency) of assets and liabilities in foreign currency arising from the consolidation of investments in companies within the Group's scope of consolidation.

Market & Financial Risk Management measures and controls the Parent Company and Group's exposure to Structural Foreign Exchange Risk and performs the management calculation of the optimal position, which represents the open position in foreign currency designed to neutralise the sensitivity of the capital ratio to foreign exchange movements. It also produces sensitivity analyses of the capital ratios for the control and monitoring of the Structural Foreign Exchange Risk, in addition to setting the proposed Transaction Foreign Exchange Risk within the VaR limits for market risks and the RAF limits for Structural Foreign Exchange Risk.

B. Foreign exchange risk hedging activities

The Intesa Sanpaolo Group's management of the Structural Foreign Exchange Risk assigns the Parent Company the related management and coordination powers in order to achieve a consistent Group strategy.
This choice, which is consistent with the Parent Company's role as the liaison with the Supervisory Authority, allows the activities to be performed based on the specific responsibilities set out in the prudential supervision regulations, in addition to suitably mitigating and/or managing this type of risk.
The monitoring and management of the Structural Foreign Exchange Risk are carried out at central level by the Parent Company Treasury Function, which manages it with a view to risk/return and to optimising capital requirements.

The monitoring and hedging of the Transaction Foreign Exchange Risk are carried out, at central level, by the Parent Company Treasury Function and the IMI Corporate & Investment Banking Division for the area of competence, and at local level by the individual treasury functions of the Group companies and banks.

As at the date of preparation of the financial statements, there were transactions hedging the Group shareholders' equity and operational hedges of the foreign exchange risk of the assets and liabilities in the financial statements.

Quantitative information

1. Breakdown by currency of assets and liabilities and of derivatives

(millions of euro)

	CURRENCIES							
	US dollar	GB pound	Hungarian forint	Yen	Swiss franc	Australian dollar	Serbian dinar	Other currencies
A. FINANCIAL ASSETS	**56,219**	**8,239**	**8,069**	**3,936**	**1,457**	**3,710**	**3,817**	**16,064**
A.1 Debt securities	21,649	2,549	2,473	3,119	55	2,170	175	4,335
A.2 Equities	2,370	1,936	1	34	82	-	4	822
A.3 Loans to banks	5,661	254	2,206	133	171	50	1,196	4,791
A.4 Loans to customers	26,539	3,500	3,389	650	1,149	1,490	2,442	6,116
A.5 Other financial assets	-	-	-	-	-	-	-	-
B. OTHER ASSETS	**3,878**	**441**	**234**	**158**	**1,099**	**321**	**476**	**2,003**
C. FINANCIAL LIABILITIES	**40,968**	**6,346**	**6,341**	**1,109**	**474**	**2,247**	**3,218**	**11,010**
C.1 Due to banks	15,880	2,280	729	9	133	2,078	2	1,372
C.2 Due to customers	11,841	766	5,612	573	266	20	3,216	9,496
C.3 Debt securities	13,247	3,300	-	527	75	149	-	142
C.4 Other financial liabilities	-	-	-	-	-	-	-	-
D. OTHER LIABILITIES	**5,500**	**715**	**79**	**609**	**753**	**75**	**129**	**2,304**
E. FINANCIAL DERIVATIVES								
- Options								
long positions	*1,474*	*519*	*38*	*150*	*750*	*42*	*-*	*591*
short positions	*2,468*	*481*	*48*	*136*	*533*	*63*	*-*	*866*
- Other derivatives								
long positions	*66,858*	*15,229*	*1,525*	*2,709*	*3,062*	*980*	*248*	*17,326*
short positions	*79,827*	*16,879*	*2,737*	*5,091*	*4,579*	*2,731*	*15*	*19,495*
TOTAL ASSETS	**128,429**	**24,428**	**9,866**	**6,953**	**6,368**	**5,053**	**4,541**	**35,984**
TOTAL LIABILITIES	**128,763**	**24,421**	**9,205**	**6,945**	**6,339**	**5,116**	**3,362**	**33,675**
DIFFERENCE (+/-)	**-334**	**7**	**661**	**8**	**29**	**-63**	**1,179**	**2,309**

As of 31 December 2022, the presentation of the “Breakdown by currency of assets and liabilities and of derivatives” has been aligned with the prudential approach in compliance with the new methodological framework introduced by the EBA Guidelines on the treatment of structural FX under Article 352(2) of Regulation (EU) No 575/2013 (CRR).

2. Internal models and other sensitivity analysis methodologies

As already noted, the management of Transaction Foreign Exchange Risk relating to trading activities is included in the operating procedures and in the estimation methodologies of the managerial VaR.
Foreign exchange risk expressed by equity investments in foreign currency (banking book) originated a VaR (99% confidence level, 10-day holding period) amounting to 68 million euro as at 31 December 2025. This potential impact would only be reflected in the Shareholders’ Equity.

1.3. DERIVATIVES AND HEDGING POLICIES

Starting from 2014, the Parent Company has been authorised to use EPE (Expected Positive Exposure) internal models to determine the capital requirement for counterparty risk. This approach is applicable to almost the entire derivatives portfolio (as shown in the table below, as at 31 December 2025 approximately 92% of the total EAD of financial and credit derivatives is measured using EPE models). Derivatives whose counterparty risk is measured using approaches other than internal models represent a residual portion of the portfolio (as at 31 December 2025 accounting for approximately 8% of overall EAD) and refer to:

– residual contracts of Intesa Sanpaolo to which EPE is not applied (in compliance with the immateriality thresholds set by the EBA);
– EAD generated by all the other Group banks and companies that do not report using an internal model.

The table below shows the overall EAD of exposures in financial and credit derivatives, broken down by measurement approach.

(millions of euro)

Transaction categories	Exposure at default (EAD)			
	31.12.2025		31.12.2024	
	Standardised models	Internal Method (EPE)	Standardised models	Internal Method (EPE)
Derivative contracts	903	9,823	730	10,806

The EPE internal model considers the collateral collected to mitigate credit exposure and any excess collateral paid. The value of the guarantees received and included in the calculation of the EAD amounts to approximately 17.7 billion euro for the Parent Company, while the collateral provided to counterparties amounts to 12.4 billion euro (these amounts include the initial margins posted in connection with transactions with central counterparties and those received from bilateral counterparties and clearing service customers).

1.3.1. Trading derivatives

A. FINANCIAL DERIVATIVES

A.1. Financial trading derivatives: period-end notional amounts

(millions of euro)

Underlying asset/Type of derivatives	31.12.2025				31.12.2024			
	Over the counter			Organised markets	Over the counter			Organized markets
	Central Counterparties	without central counterparties			Central Counterparts	without central counterparties		
		With netting agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Debt securities and interest rate	**3,285,431**	**479,385**	**66,028**	**164,259**	**3,188,233**	**488,969**	**62,610**	**110,403**
a) Options	-	280,446	7,913	1,479	-	286,179	9,950	690
b) Swaps	3,285,431	198,939	57,422	-	3,188,233	202,790	51,555	-
c) Forwards	-	-	693	-	-	-	1,080	-
d) Futures	-	-	-	162,780	-	-	25	109,713
e) Other	-	-	-	-	-	-	-	-
2. Equities and stock indices	**-**	**16,886**	**34,887**	**8,277**	**-**	**18,873**	**30,174**	**7,242**
a) Options	-	13,360	34,870	1,242	-	11,084	30,165	2,254
b) Swaps	-	3,526	17	-	-	7,789	9	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	7,035	-	-	-	4,984
e) Other	-	-	-	-	-	-	-	4
3. Foreign exchange rates and gold	**-**	**172,997**	**20,936**	**54**	**-**	**175,238**	**24,549**	**21**
a) Options	-	49,545	2,501	-	-	45,715	3,780	1
b) Swaps	-	35,410	2,892	-	-	40,363	3,278	-
c) Forwards	-	87,802	13,967	-	-	88,799	16,448	-
d) Futures	-	-	69	54	-	-	-	20
e) Other	-	240	1,507	-	-	361	1,043	-
4. Commodities	**-**	**2,504**	**1,105**	**1,662**	**-**	**3,272**	**1,583**	**2,770**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**3,285,431**	**671,772**	**122,956**	**174,252**	**3,188,233**	**686,352**	**118,916**	**120,436**

The notional amounts shown as at 31 December 2025 in the column “Over the counter” with central counterparties relate to interest rate derivatives settled through legal clearing for a total of 3,285 billion euro.

A.2. Financial trading derivatives: gross positive and negative fair value – breakdown by product

(millions of euro)

Type of derivative	31.12.2025				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. Positive fair value								
a) Options	-	1,975	1,460	44	-	2,148	740	128
b) Interest rate swaps	54,117	7,708	1,207	-	55,575	9,384	1,720	-
c) Cross currency swaps	-	519	258	-	-	921	242	-
d) Equity swaps	-	20	-	-	-	63	-	-
e) Forwards	-	685	169	-	-	959	239	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	157	107	-	-	226	191	-
Total	**54,117**	**11,064**	**3,201**	**44**	**55,575**	**13,701**	**3,132**	**128**
2. Negative fair value								
a) Options	-	2,424	9,780	35	-	2,766	8,666	129
b) Interest rate swaps	55,694	6,444	829	-	58,012	6,889	1,194	-
c) Cross currency swaps	-	1,573	25	-	-	1,937	59	-
d) Equity swaps	-	19	23	-	-	68	8	-
e) Forwards	-	572	210	-	-	1,348	278	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	203	140	-	-	174	121	-
Total	**55,694**	**11,235**	**11,007**	**35**	**58,012**	**13,182**	**10,326**	**129**

This table shows the fair value of all the unmargined contracts, both on regulated markets and with central counterparties.

The amounts shown in the column “Over the counter” with central counterparties relate to the gross fair value of the over-the-counter (OTC) derivatives settled through legal clearing, including LCH Ltd.

A.3. Over the counter financial trading derivatives: notional values, gross positive and negative fair value by counterparty

(millions of euro)

Underlying asset	Central Counterparties	Banks	Other financial companies	Other counterparties
Contracts not included under netting agreements				
1) Debt securities and interest rates				
- notional amount	X	3,560	21,462	41,006
- positive fair value	X	36	400	804
- negative fair value	X	-39	-203	-1,228
2) Equities and stock indices				
- notional amount	X	2,400	23,829	8,658
- positive fair value	X	62	1,355	3
- negative fair value	X	-109	-841	-8,192
3) Foreign exchange rates and gold				
- notional amount	X	1,500	4,148	15,288
- positive fair value	X	27	58	386
- negative fair value	X	-27	-8	-241
4) Commodities				
- notional amount	X	-	6	1,099
- positive fair value	X	-	-	70
- negative fair value	X	-	-1	-118
5) Other				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts included under netting agreements				
1) Debt securities and interest rates				
- notional amount	3,285,431	335,262	129,584	14,539
- positive fair value	54,117	5,274	3,039	243
- negative fair value	-55,694	-5,768	-1,132	-488
2) Equities and stock indices				
- notional amount	-	6,860	9,943	83
- positive fair value	-	611	240	23
- negative fair value	-	-49	-1,112	-3
3) Foreign exchange rates and gold				
- notional amount	-	122,705	41,223	9,069
- positive fair value	-	892	375	213
- negative fair value	-	-1,541	-645	-296
4) Commodities				
- notional amount	-	127	457	1,920
- positive fair value	-	10	65	79
- negative fair value	-	-6	-31	-164
5) Other				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4. Residual maturity of over the counter financial derivatives: notional amounts

(millions of euro)

Underlying/Residual maturity	Up to 1 year	Between 1 and 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	1,228,124	1,579,132	1,023,588	3,830,844
A.2 Financial derivatives on equities and stock indices	19,736	29,756	2,281	51,773
A.3 Financial derivatives on foreign exchange rates and gold	144,722	35,729	13,482	193,933
A.4 Financial derivatives on commodities	1,343	2,254	12	3,609
A.5 Other financial derivatives	-	-	-	-
Total 31.12.2025	**1,393,925**	**1,646,871**	**1,039,363**	**4,080,159**
Total 31.12.2024	**1,450,448**	**1,668,337**	**874,716**	**3,993,501**

B. CREDIT DERIVATIVES

B.1. Credit trading derivatives: period-end notional amounts

(millions of euro)

Categories of transactions	Trading derivatives	
	single counterparty	more counterparties (basket)
1. Protection purchases		
a) Credit default products	7,866	188,588
b) Credit spread products	-	-
c) Total rate of return swap	727	-
d) Other	-	-
Total 31.12.2025	**8,593**	**188,588**
Total 31.12.2024	**6,373**	**127,636**
2. Protection sales		
a) Credit default products	6,288	186,898
b) Credit spread products	-	-
c) Total rate of return swap	589	-
d) Other	-	-
Total 31.12.2025	**6,877**	**186,898**
Total 31.12.2024	**9,623**	**125,213**

As at 31 December 2025, none of the contracts shown in the table above have been included within the structured credit products.

B.2. Credit trading derivatives: gross positive and negative fair value – breakdown by product

(millions of euro)

Type of derivative	Total 31.12.2025	Total 31.12.2024
1. Positive fair value		
a) Credit default products	5,089	2,969
b) Credit spread products	-	-
c) Total rate of return swap	11	95
d) Other	-	-
Total	**5,100**	**3,064**
2. Negative fair value		
a) Credit default products	5,167	3,028
b) Credit spread products	-	-
c) Total rate of return swap	3	25
d) Other	-	-
Total	**5,170**	**3,053**

As at 31 December 2025, none of the contracts shown in the table above have been included within the structured credit products.

The Total Rate of Return Swaps (TRS) refer to protection sales operationally correlated with short positions in debt securities represented under Financial liabilities held for trading.

B.3. Over the counter credit trading derivatives: notional values, gross positive and negative fair value by counterparty

(millions of euro)

	Central counterparties	Banks	Other financial companies	Other counterparties
Contracts not included under netting agreements				
1) Protection purchases				
− notional amount	X	-	161,514	379
− positive fair value	X	-	32	10
− negative fair value	X	-	-	-4,479
2) Protection sales				
− notional amount	X	-	160,634	-
− positive fair value	X	-	4,461	-
− negative fair value	X	-	-31	-
Contracts included under netting agreements				
1) Protection purchases				
− notional amount	17,075	9,980	8,233	-
− positive fair value	5	12	7	-
− negative fair value	-456	-101	-63	-
2) Protection sales				
− notional amount	16,306	8,415	8,420	-
− positive fair value	438	71	64	-
− negative fair value	-17	-10	-13	-

As at 31 December 2025, none of the contracts shown in the table above have been included within the structured credit products.

B.4. Residual maturity of over the counter credit trading derivatives: notional amounts

(millions of euro)

Underlying/Residual maturity	Up to 1 year	Between 1 and 5 years	Over 5 years	Total
1. Protection sales	9,697	182,796	1,282	193,775
2. Protection purchases	11,223	185,060	898	197,181
Total 31.12.2025	**20,920**	**367,856**	**2,180**	**390,956**
Total 31.12.2024	**10,463**	**255,513**	**2,869**	**268,845**

B.5. Credit derivatives associated with the fair value option: annual changes

The Intesa Sanpaolo Group does not hold credit derivatives associated with the fair value option.

1.3.2. Accounting hedges

Qualitative information

On first-time adoption of IFRS 9, the Intesa Sanpaolo Group exercised its option under the standard to continue to fully apply the rules of IAS 39 for all types of hedges (micro and macro hedges). As a result, the provisions of IFRS 9 on hedging do not apply.
The hedging is carried out through derivatives that, in relation to the commencement of cash flows and the exchange of the underlying, may either start immediately (spot-start derivatives) or at a future date (forward-start derivatives).

A. Fair value hedging

The hedging carried out by the Intesa Sanpaolo Group is aimed at protecting the banking book from variations in the fair value of loans and deposits due to movements in the interest rate curve (interest rate risk).

The Group uses both micro fair value hedges and macro fair value hedges.
The micro fair value hedges mainly hedge bonds issued, debt securities under assets and loans to customers.
The macro fair value hedges are used for:
– core deposits, based on the applicable standards in the carved-out version of IAS 39 in accordance with the option provided by IFRS 9 to make use of the possibility of fully applying the provisions of IAS 39 on hedges;
– the already fixed portion of floating-rate loans, in which the macro fair value hedge is used to hedge the interest rate risk inherent in the floating-rate coupons of the loans granted, when the coupon rate is set;
– a portion of fixed-rate loans; for this type, in line with the carved-out version of IAS 39, an open-portfolio macrohedging model has been adopted according to a bottom-layer approach that, in accordance with the interest rate risk measurement method involving modelling of the prepayment phenomenon, is more closely correlated with risk management activity and asset dynamics;
– embedded interest rate cap (CAP) option in floating-rate loans.

The main types of derivative contracts used are plain and structured interest rate swaps (IRS), overnight index swaps (OIS), cross-currency swaps (CCS), forward sales and options on interest rates stipulated with market counterparties.
The derivatives are not listed on regulated markets but are traded in OTC (over the counter) circuits. The OTC contracts also include contracts entered into through clearing houses, which account for the majority of derivatives.

B. Cash flow hedging

The hedging carried out by the Intesa Sanpaolo Group is aimed at protecting the Group from the exposure to changes in future cash flows attributable to movements in the interest rate curve, associated with a particular asset/liability, such as variable future interest payments on a debt/loan or a highly probable expected future transaction.

The Group uses both micro cash flow hedges and macro cash flow hedges. The micro cash flow hedges mainly hedge bonds issued.
The macro cash flow hedges are used for:
– floating-rate funding;
– floating-rate loans.

The derivatives used are interest rate swaps (IRS) with market counterparties.
The derivatives are not listed on regulated markets but are traded in OTC (over the counter) circuits. The OTC contracts also include contracts entered into through clearing houses, which account for the majority of derivatives.

C. Hedging of foreign investments

The Group uses hedges, subject to hedge accounting, to neutralise the effects of structural foreign exchange rate fluctuations on positions not exempt for the purposes of calculating capital requirements for foreign exchange risk. These hedging relationships were entered into in respect of structural foreign exchange risk positions capable of generating an impact on the foreign exchange reserves that form part of the Group's consolidated shareholders' equity. In the Parent Company's financial statements these hedging relationships are accounted for as micro fair value hedges, whereas in the consolidated financial statements they are treated as hedges of a net investment in a foreign currency.

D. Hedging instruments

The main causes of ineffectiveness of the model adopted by the Group for verifying the effectiveness of the hedges are attributable to the following:
– misalignment between the notional value of the derivative and the hedged underlying recognised at the time of initial designation or generated subsequently, such as in the case of partial repayments of loans or the repurchase of bonds;
– application of different curves respectively on the hedging derivative and hedged item for the effectiveness test on fair value hedges. In the derivatives, normally collateralised or entered into through clearing houses, the cash flows are discounted on the overnight curves, while the hedged items are discounted on the indexing curve of the cash flows of the hedging instrument;
– inclusion in the effectiveness test of the value of the floating-rate cash flows of the hedging derivative, for fair value hedges.

The ineffectiveness of the hedge is promptly determined for the purposes of:
– the determination of the impact to be recognised in the income statement;
– the assessment of the possibility of continuing to apply the hedge accounting rules.
The Group does not use dynamic hedges, as defined in IFRS 7, paragraph 23C.

E. Hedged items

The main types of hedged items are:
– debt securities under assets;
– debt securities issued and non-securities funding;
– fixed-rate loans;
– floating-rate loans;
– embedded interest rate cap option in floating-rate mortgages;
– already set coupon of floating-rate loans;
– modelled on demand deposits.
– net investments in foreign currency.

E.1 Debt securities under assets

The debt securities under assets are hedged by micro fair value hedges, involving the use of IRS (interest rate swaps), OIS (overnight index swaps) and CCS (cross-currency swaps) as hedging instruments.
The interest rate risk is usually hedged for the entire portfolio holding period of the debt instrument.
The Dollar Offset Method is used to verify the hedge effectiveness. This method is based on the ratio between the cumulative changes (from the inception of the hedge) in the fair value of the hedging instrument, attributable to the hedged risk, and cumulative changes in the fair value of the hedged item (fair value change), net of the accrual component of the earned interest.
Micro fair value hedges also include forward sales on debt securities in the Financial assets at fair value through other comprehensive income (HTCS) portfolio, carried out to hedge the risks connected to changes in fair value due to movements in credit spreads and interest rates. With regard to the forward sale contract, which is a derivative because it is a non-regular way transaction, the spot component is separated from the interest component by designating only the spot component as the hedging instrument in a fair value hedging relationship.

E.2 Debt securities issued and non-securities funding

The Group establishes micro fair value hedges in place on fixed- or structured-rate funding and micro cash flow hedges or macro cash flow hedges on floating-rate funding, using IRS (interest rate swaps), OIS (overnight index swaps) and CCS (cross-currency swaps) as hedging instruments.
The interest rate risk is usually hedged throughout the life of the bond.
For the micro hedges, the hedge effectiveness is verified using the Dollar Offset Method. This method is based on the ratio between the cumulative changes (from the inception of the hedge) in the fair value or the cash flows of the hedging instrument, attributable to the hedged risk, and cumulative changes in the fair value or the cash flows of the hedged item (fair value change), net of the accrual component of the earned interest.
For the macro hedges, the hedge effectiveness is verified by means of a capacity test. This test involves a comparison of the consistency between the hedged items, referring to existing or expected floating-rate funding (highly probable future transactions), and the hedging instruments, which must be performed throughout the life of the hedging relationship and for each time band. In this case, the hedged item is represented by the expected cash flows from funding that will arise over the life of the funding. The estimate of the expected upcoming and highly probable funding is subject to annual approval by the Group Financial Risks Committee.

E.3 Fixed-interest loans

The Group establishes micro fair value hedges for fixed-rate loans and macro fair value hedges for mortgage loans disbursed to retail counterparties, mainly using IRS (interest rate swaps) as hedging instruments.
The interest rate risk is usually hedged throughout the life of the underlying.
For the micro hedges, the hedge effectiveness is verified using the Dollar Offset Method.
For the macro hedges, the loan portfolio hedged is open, i.e. it is dynamically composed of fixed-loans hedged, at aggregate level, through hedging derivatives entered into over time.
The effectiveness of the macro hedges on fixed-rate loans is periodically verified through specific prospective and retrospective tests aimed at demonstrating that the hedged portfolio contains an amount of assets whose sensitivity profile and changes in fair value due to interest rate risk reflect those of the derivatives used for the hedge.

E.4 Floating-rate loans

The Group establishes macro cash flow hedges on floating-rate loans, mainly using interest rates swaps (IRSs) as hedging instruments.
The hedge effectiveness is verified by means of a capacity test. This test involves a comparison of the consistency between the hedged items, referring to the floating-rate loans outstanding, and the hedging instruments, which must always be confirmed throughout the life of the hedging relationship and for each time band. In this case, the hedged item is represented by the expected cash flows originating from the loans that will arise over the life of the assets.

E.5 Embedded interest rate cap (CAP) option in floating-rate mortgages

The Group establishes macro fair value hedges on embedded interest rate cap (CAP) options in floating-rate mortgages using interest-rate options as hedging instruments.
The loan portfolio hedged is an open portfolio.
The effectiveness of the macro hedges of embedded interest rate options relating to floating-rate loans is periodically verified through specific prospective and retrospective tests aimed at demonstrating that the hedged portfolio contains an amount of assets whose strike profile and changes in fair value due to interest rate risk reflect those of the derivatives used for the hedge.

E.6 Already set coupon of floating-rate loans

The Group establishes macro fair value hedges on coupons already set for floating-rate loans using OIS (overnight index swaps) as hedging instruments.
The purpose of this type of hedge is to neutralise the interest rate risk generated by the coupons already set for floating-rate loans.
The Dollar Offset Method is used to verify the hedge effectiveness, while the actual consistency of the hedged items is verified through a capacity test.

E.7 Modelled on demand deposits

Modelled on demand deposits are hedged by macro fair value hedges, as required by the “carve out” of IAS 39, using IRS (interest rate swaps) and OIS (overnight index swaps) as hedging instruments.
The purpose of the hedge is to protect net interest income from possible falls in interest rates that reduce the spread generated by the Group’s core deposits.
The model is subject to continuous monitoring and verification by Market and Financial Risk Management, in order to promptly incorporate changes in the main characteristics of the model (volumes, stability, reactivity) and make the necessary adjustments where appropriate.
The hedge effectiveness is verified using the Dollar Offset Method.

E.8 Foreign investments

The Group establishes hedges of net investments in foreign currency that use outright currency forward contracts as the hedging instruments.
The purpose of the hedging is to protect the Group from the effects of changes in the exchange rate that could have impacts on the foreign exchange reserves that are part of the Group’s consolidated shareholders’ equity.
Of the currency forward derivative contract, only the change relating to the spot exchange rate (spot component) is designated a hedge subject to hedge accounting; this change is separated from the total fair value of the instrument.
In the Parent Company’s financial statements, these hedging relationships are accounted for as micro fair value hedges, whereas in the consolidated financial statements they are treated as hedges of a net investment in a foreign currency.
The Dollar Offset Method is used to verify the hedge effectiveness at the Parent Company level, while at the Group level the actual consistency of the hedged items is verified by a capacity test.

Quantitative information

A. Financial hedging derivatives

A.1 Financial hedging derivatives: period-end notional amounts

(millions of euro)

Underlying asset/Type of derivative	31.12.2025				31.12.2024			
	Over the counter			Organised markets	Over the counter			Organized markets
	Central Counterparties	Without central counterparties			Central Counterparts	Without central counterparties		
		With netting agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Debt securities and interest rates	**459,799**	**28,329**	**22,530**	**-**	**469,994**	**26,514**	**22,419**	**-**
a) Options	-	407	-	-	-	532	-	-
b) Swaps	459,799	27,922	19,183	-	469,994	25,982	21,618	-
c) Forwards	-	-	3,347	-	-	-	801	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equities and stock indices	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Foreign exchange rates and gold	**-**	**7,768**	**326**	**-**	**-**	**11,702**	**260**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	7,044	326	-	-	10,983	260	-
c) Forwards	-	724	-	-	-	719	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**459,799**	**36,097**	**22,856**	**-**	**469,994**	**38,216**	**22,679**	**-**

The average notional amount in the year of the financial hedging derivatives was 507 billion euro.
The notional amounts shown as at 31 December 2025 in the column “Over the counter” with central counterparties relate to notional amounts of the financial hedging derivatives settled through legal clearing for a total of 460 billion euro.

A.2 Financial hedging derivatives: gross positive and negative fair value – breakdown by product

(millions of euro)

Type of derivative	Positive and negative fair value								Change in value used to calculate hedge effectiveness	
	Total 31.12.2025				Total 31.12.2024					
	Over the counter			Organised markets	Over the counter			Organised markets	Total 31.12.2025	Total 31.12.2024
	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	-	4	-	-	-	9	-	-	1	-30
b) Interest rate swap	12,518	861	294	-	10,796	888	491	-	11,767	10,519
c) Cross currency swap	-	555	1	-	-	256	33	-	46	-92
d) Equity swap	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	13	-	-	2	10	-	-	1
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**12,518**	**1,420**	**308**	**-**	**10,796**	**1,155**	**534**	**-**	**11,814**	**10,398**
Negative fair value										
a) Options	-	1	-	-	-	1	-	-	-	-
b) Interest rate swap	5,168	875	161	-	8,203	1,456	212	-	5,289	8,769
c) Cross currency swap	-	475	34	-	-	503	4	-	390	775
d) Equity swap	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	6	1	-	-	1	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**5,168**	**1,357**	**196**	**-**	**8,203**	**1,961**	**216**	**-**	**5,679**	**9,544**

The amounts shown as at 31 December 2025 in the column “Over the counter” with central counterparties relate to the gross fair value of the over-the-counter (OTC) financial hedging derivatives settled through legal clearing, including LCH Ltd.

A.3 Over the counter financial hedging derivatives: notional amounts, gross positive and negative fair values by counterparty

(millions of euro)

Underlying asset	Central counterparties	Banks	Other financial companies	Other counterparties
Contracts not included under netting agreements				
1) Debt securities and interest rates				
- notional amount	X	15,255	7,275	-
- positive fair value	X	236	71	-
- negative fair value	X	-100	-62	-
2) Equities and stock indices				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Foreign exchange rates and gold				
- notional amount	X	326	-	-
- positive fair value	X	1	-	-
- negative fair value	X	-34	-	-
4) Commodities				
- 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 included under netting agreements				
1) Debt securities and interest rates				
- notional amount	459,799	27,434	895	-
- positive fair value	12,518	860	5	-
- negative fair value	-5,168	-626	-250	-
2) Equities and stock indices				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Foreign exchange rates and gold				
- notional amount	-	4,684	3,084	-
- positive fair value	-	446	109	-
- negative fair value	-	-210	-271	-
4) Commodities				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 Residual maturity of over the counter financial hedging derivatives: notional amounts

(millions of euro)

Underlying/Residual maturity	Up to 1 year	Between 1 and 5 years	Over 5 year	Total
A.1 Financial derivatives on debt securities and interest rates	110,464	216,505	183,689	510,658
A.2 Financial derivatives on equities and stock indices	-	-	-	-
A.3 Financial derivatives on foreign exchange rates and gold	2,709	3,183	2,202	8,094
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31.12.2025	**113,173**	**219,688**	**185,891**	**518,752**
Total 31.12.2024	**140,312**	**207,746**	**182,831**	**530,889**

B. Credit hedging derivatives

B.1 Credit hedging derivatives: period-end notional amounts

B.2 Credit hedging derivatives: gross positive and negative fair value - breakdown by product

B.3 Over the counter credit hedging derivatives: notional amounts, gross positive and negative fair values by counterparty

B.4 Residual maturity of over the counter credit hedging derivatives: notional amounts

The Intesa Sanpaolo Group does not hold credit derivatives classified as hedges in its portfolio.

C. Non-derivative hedging instruments

C.1 Non-derivative hedging instruments: breakdown by accounting portfolio and type of hedge

The Intesa Sanpaolo Group has exercised the option, provided for on the introduction of IFRS 9, of continuing to fully apply the provisions of IAS 39 on hedge accounting (in the carved-out version endorsed by the European Commission) for each type of hedge (both for micro hedges and macro hedges).
For this reason, the Intesa Sanpaolo Group does not hold financial instruments to be shown in table "C.1 Non-derivative hedging instruments: breakdown by accounting portfolio and type of hedge".

D. Hedged items

The Intesa Sanpaolo Group has exercised the option, provided for on the introduction of IFRS 9, of continuing to fully apply the provisions of IAS 39 on hedge accounting (in the carved-out version endorsed by the European Commission) for each type of hedge (both for micro hedges and macro hedges).

D.1 Fair value hedges

(millions of euro)

	Micro-hedges: book value	Micro-hedges – net positions: book value of assets and liabilities (prior to netting)	Micro-hedges			Macro-hedges: book value
			Cumulative fair value changes (hedged instrument)	Termination of hedging: residual cumulative fair value changes	Changes in value used to assess hedge ineffectiveness	
A. Assets						
1. Financial assets designated at fair value through other comprehensive income – hedging of:	**64,869**	**-**	**-1,463**	**-230**	**-1,425**	**-**
1.1 Debt securities and interest rates	61,658	-	-1,420	-230	-1,379	X
1.2 Equities and stock indices	-	-	-	-	-	X
1.3 Foreign exchange rates and gold	-	-	-	-	-	X
1.4 Loans	-	-	-	-	-	X
1.5 Other	3,211	-	-43	-	-46	X
2. Financial assets measured at amortised cost - hedging of:	**60,222**	**-**	**-2,440**	**-287**	**-2,058**	**112,920**
1.1 Debt securities and interest rates	57,934	-	-2,580	-287	-2,251	X
1.2 Equities and stock indices	-	-	-	-	-	X
1.3 Foreign exchange rates and gold	621	-	-3	-	4	X
1.4 Loans	1,265	-	1	-	-	X
1.5 Other	402	-	142	-	189	X
Total 31.12.2025	**125,091**	**-**	**-3,903**	**-517**	**-3,483**	**112,920**
Total 31.12.2024	**106,446**	**-**	**-1,167**	**-787**	**-596**	**119,460**
B. Liabilities						
1. Financial liabilities measured at amortised cost - hedging of:	**54,566**	**-**	**-405**	**-611**	**-411**	**205,237**
1.1 Debt securities and interest rates	51,933	-	-206	-326	-225	X
1.2 Foreign exchange rates and gold	-	-	-	-	-	X
1.3 Other	2,633	-	-199	-285	-186	X
Total 31.12.2025	**54,566**	**-**	**-405**	**-611**	**-411**	**205,237**
Total 31.12.2024	**69,602**	**-**	**-1,225**	**-**	**-1,230**	**208,484**

D.2 Cash flow hedges and hedges of foreign investments

(millions of euro)

	Change in value used to assess hedge ineffectiveness	Hedging reserves	Termination of hedging: residual cumulative value of the hedging reserves
A. Cash flow hedge			
1. Assets	**100**	**-38**	**-**
1.1 Debt securities and interest rates	100	-39	-
1.2 Equities and stock indices	-	-	-
1.3 Foreign exchange rates and gold	-	-	-
1.4 Loans	-	1	-
1.5 Other	-	-	-
2. Liabilities	**141**	**-79**	**-**
1.1 Debt securities and interest rates	141	-78	-
1.2 Foreign exchange rates and gold	-	-1	-
1.3 Other	-	-	-
Total (A) 31.12.2025	**241**	**-117**	**-**
Total (A) 31.12.2024	**177**	**-119**	**-**
B. Hedges of foreign investments	X	-	-
Total (A+B) 31.12.2025	**241**	**-117**	**-**
Total (A+B) 31.12.2024	**177**	**-106**	**-**

E. Effects of hedging on shareholders' equity

E.1 Reconciliation of components of shareholders' equity

(millions of euro)

	Cash flow hedging reserve					Reserve for hedging of foreign investments				
	Debt securities and interest rates	Equities and stock indices	Foreign exchange rates and gold	Loans	Other	Debt securities and interest rates	Equities and stock indices	Foreign exchange rates and gold	Loans	Other
Initial amount	**-123**	**-**	**-**	**5**	**-**	**-**	**-**	**-**	**-**	**-**
Fair value changes (effective portion)	6	-	-1	-4	-	-	-	-	-	-
Reclassification to the income statement	-	-	-	-	-	-	-	-	-	-
of which: future transaction not expected	-	-	-	-	-	X	X	X	X	X
Other changes	-	-	-	-	-	-	-	-	-	-
of which: transfer to initial book value	-	-	-	-	-	X	X	X	X	X
Final amount	**-117**	**-**	**-1**	**1**	**-**	**-**	**-**	**-**	**-**	**-**

The category "Hedging instruments (non-designated items)" is not present, because the Intesa Sanpaolo Group has exercised the option, provided for on the introduction of IFRS 9, of continuing to fully apply the provisions of IAS 39 on hedge accounting (in the carved-out version endorsed by the European Commission) for each type of hedge (both for micro hedges and macro hedges).

1.3.3. Other information on derivative instruments (trading and hedging)

A. Credit and financial derivatives

A.1 Over the counter credit and financial derivatives: net fair values by counterparty

(millions of euro)

	Central counterparties	Banks	Other financial companies	Other counterparties
A. Financial derivatives				
1) Debt securities and interest rates				
- notional amount	2,544,447	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-534	-	-	-
2) Equities and stock indices				
- notional amount	-	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-	-	-	-
3) Foreign exchange rates and gold				
- notional amount	-	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-	-	-	-
4) Commodities				
- notional amount	-	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-	-	-	-
5) Other				
- notional amount	-	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-	-	-	-
B. Credit derivatives				
1) Protection purchases				
- notional amount	-	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-	-	-	-
2) Protection sales				
- notional amount	-	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-	-	-	-

The table shows the values resulting from the offsetting in the balance sheet for the derivatives whose netting agreements meet the criteria set out in IAS 32 paragraph 42.
In particular, the above refers to over-the-counter (OTC) trading and hedging financial and credit in place with the legal clearing agent LCH Ltd., for which the fair values attributable to transactions on own account and transactions on behalf of customers have been offset separately in the financial statements.
The clearing amount, which had a total net negative value of 534 million euro (positive fair value of 55,646 million euro and negative fair value of 56,180 million euro), attributable to a negative result of 3,359 million euro from trading derivatives and a positive result of 2,825 million euro from hedging derivatives, is presented in Part B of the Notes to the consolidated financial statements, for operations on behalf of customers (trading derivatives) among Financial assets held for trading for 1,778 million euro and operations on own account among Financial liabilities held for trading for 2,312 million euro, respectively.

1.4 LIQUIDITY RISK

QUALITATIVE INFORMATION

A. General aspects, liquidity risk management processes and measurement methods

Liquidity risk is defined as the risk that the Bank may not be able to meet its payment obligations due to the inability to obtain funds on the market (funding liquidity risk) or liquidate its assets (market liquidity risk).
The arrangement of a suitable control and management system for that specific risk has a fundamental role in maintaining stability, not only at the level of each individual bank, but also of the market as a whole, given that imbalances within a single financial institution may have systemic repercussions. Such a system must be integrated into the overall risk management system and provide for incisive controls consistent with developments in the context of reference.

Intesa Sanpaolo's internal control and management system for liquidity risk is implemented within the Group Risk Appetite Framework and in compliance with the tolerance thresholds for liquidity risk approved in the system, which establish that the Group must maintain an adequate liquidity position in order to cope with periods of strain, including prolonged periods, on the various funding supply markets, also by establishing adequate liquidity reserves consisting of marketable securities and refinancing at Central Banks. To this end, a balance needs to be maintained between incoming and outgoing funds, both in the short and medium-long term. This goal is implemented by the "Group Liquidity Risk Management Guidelines" approved by the Corporate Bodies of Intesa Sanpaolo, in implementation of the applicable regulatory provisions.

The provisions on liquidity introduced by the European Union in June 2013 and subsequently updated establish that banks must comply with: (i) the short-term liquidity coverage ratio (LCR > 100%) and (ii) the net stable funding ratio (NSFR >100%), as set out in Directive 2019/878/EU, Regulation (EU) No 575/2013, Regulation (EU) No 2019/876 and Delegated Regulation (EU) No 2015/61, as supplemented and amended. The regulatory framework is completed by the Implementing Technical Standards developed by the EBA and ECB Guidelines designed to increase regulatory harmonisation of the European Union within the framework of the Single Supervisory Mechanism (SSM), which in the area of liquidity also establishes an Internal Liquidity Adequacy Assessment Process (ILAAP), to be conducted with annual frequency for the purposes of the Supervisory Review and Evaluation Process (SREP).

The "Group Liquidity Risk Management Guidelines" – in addition to referring to the Bank of Italy's indications regarding liquidity risk contained in the "Supervisory regulations for banks" – have gradually incorporated all the above regulatory provisions, in implementation of the applicable regulatory provisions.
In this framework, the "Group Liquidity Risk Management Guidelines" approved by Intesa Sanpaolo's Corporate Bodies illustrate the tasks of the various corporate functions, the rules and the set of control and management processes aimed at ensuring prudent monitoring of liquidity risk, thereby preventing the emergence of crisis situations. To this end, they include procedures for identifying risk factors, measuring risk exposure and verifying observance of limits, conducting stress tests, identifying appropriate risk mitigation initiatives, drawing up emergency plans and submitting informational reports to company bodies.

The key principles guiding the internal control and management system for liquidity risk defined by those Guidelines are as follows:
– the existence of a liquidity management policy approved by senior management and clearly disseminated throughout the Bank;
– the existence of an operating structure that works within set limits and attention thresholds and of a control structure that is independent from the operating structure;
– the constant availability of adequate liquidity reserves in relation to the pre-determined liquidity risk tolerance threshold;
– the assessment of the impact of various scenarios, including stress testing scenarios, on the cash inflows and outflows over time and the quantitative and qualitative adequacy of liquidity reserves;
– the adoption of an internal fund transfer pricing system that accurately incorporates the cost/benefit of liquidity, on the basis of the Intesa Sanpaolo Group's funding conditions;
– liquidity management in crisis situations that takes into account the "Guidelines on the governance of the contribution and crisis management processes within the Resolution Plan.

The "Group Liquidity Risk Management Guidelines" set out the task assigned to the Corporate Bodies and allocate several important responsibilities to senior management, including approving measurement indicators, defining the main assumptions underlying the stress scenarios and composing the early warning thresholds used to activate emergency plans.

In order to pursue an integrated and consistent risk management policy, the Group's strategic decisions on liquidity risk governance and management are assigned to the Corporate Bodies of the Parent Company. From this standpoint, the Parent Company performs its functions of monitoring and managing liquidity not only in reference to its own organisation, but also by assessing the Group's overall transactions and the liquidity risk to which it is exposed. In order to maximise the coordination and integrated control of liquidity risk, the "Group Liquidity Risk Management Guidelines" identify the following scopes of companies: (i) the "Eurozone sub-consolidation scope", which comprises the Parent Company with its international branches and all the other Italian and international banks of the Group in the Eurozone for which the transfer of liquidity is not blocked or limited by regulatory constraints and which therefore contribute to the stability of the integrated management in the Eurozone, for which the Central Treasury function is directly responsible, subject to compliance with the limits set for each individual legal entity; and (ii) the "Other Banks/Group Companies" scope, which includes the Group's international subsidiaries, whose liquidity management is carried out by the Treasury/ALM functions of each subsidiary, under the guidance and monitoring of the competent structures of the Parent Company.

The corporate functions of the Parent Company responsible for ensuring the correct application of these Guidelines and the adequacy of the Group's liquidity position are the Group Treasury & Capital Management structure and the Planning & Control structure, responsible, within the Chief Financial Officer (CFO) Area, for liquidity management, and Market & Financial Risk Management, which is directly responsible, within the Chief Risk Officer (CRO) Area, for measuring liquidity risk on a consolidated basis.

The Group's liquidity is managed by the aforesaid structures of the CFO area through thorough monitoring of cash flows and continuous liaison with the Business Units, within the framework of the relevant business plans drawn up in accordance with the following guidelines:
– constant attention to the level of customer loyalty, aimed at maintaining a high stock of stable deposits;
– monitoring of the deposit-lending gap of the Business Units, with respect to plan and budget targets;
– balanced use of the institutional market, with particular attention to diversification of segments and instruments;
– selective use of refinancing operations by Central Banks.

Market & Financial Risk Management is directly responsible for level two controls and, as an active member of the Managerial Committees, it performs a primary role in the management and dissemination of information on liquidity risk, helping improve the Group's overall awareness of the existing position. In particular, it ensures the measurement of the Group's current and future exposure to liquidity risks under normal and stressed conditions, verifying compliance with the limits and, if those limits are exceeded, implementing the reporting to the competent Corporate Bodies and monitoring the agreed correction actions in the event of any excesses.

The Chief Audit Officer assesses the functioning of the overall structure of the control system monitoring the process for measuring, managing and controlling the Group's exposure to liquidity risk and verifies the adequacy and compliance of the process with the requirements established by the regulations. The results of the controls carried out are submitted to the Corporate Bodies, at least once a year.

The liquidity risk measurement metrics and mitigation tools are formalised by the aforementioned "Group Liquidity Risk Management Guidelines" which establish the methodology used for both the short-term and structural liquidity indicators.

The short-term liquidity is aimed at providing an adequate, balanced level of cash inflows and outflows the timing of which is certain or estimated to fall within a period of 12 months, while ensuring a sufficient liquidity buffer, available for use as the main mitigation tool for liquidity risk. To that end, and in keeping with the liquidity risk appetite, the system of limits consists of specific short-term indicators, both of a regulatory nature with a holding a period of one month (Liquidity Coverage Ratio - LCR) and internally defined (Survival Period indicators).

The LCR indicator is aimed at strengthening the short-term liquidity risk profile, ensuring that sufficient unencumbered high-quality liquid assets (HQLA) are retained that can be converted easily and immediately into cash on the private markets to satisfy the short-term liquidity requirements (30 days) in an acute liquidity stress scenario. To this end, the Liquidity Coverage Ratio measures the ratio between: (i) the stock of HQLA and (ii) the total net cash outflows calculated according to the scenario parameters defined by Delegated Regulation (EU) 2015/61 and its supplements/amendments.

The Survival Period is an internal indicator designed to measure the first day on which the net liquidity position (calculated as the difference between available liquidity reserves and net outflows) becomes negative, i.e. when additional liquidity is no longer available to cover simulated net outflows. To this end, two different scenario hypotheses are considered, baseline and stressed, designed to measure, respectively: (i) the Group's independence from interbank funding on the financial markets and (ii) the survival period in the event of further tensions of a market and idiosyncratic nature, of medium-high severity, managed without envisaging restrictions on credit activity involving customers. For the Survival Period indicator, in stress conditions it is established that a minimum survival period must be maintained with the purpose of establishing an overall level of reserves covering greater cash outflows during a period of time that is adequate to implement the required operating measures to restore the Group to balanced conditions.

The Intesa Sanpaolo Group's structural liquidity policy has adopted the structural requirement provided for by the regulatory provisions - the Net Stable Funding Ratio (NSFR). This indicator is aimed at promoting the increased use of stable funding, to prevent medium/long-term operations from giving rise to excessive imbalances to be financed in the short term. To this end, it sets a minimum "acceptable" amount of funding exceeding one year in relation to the needs originating from the characteristics of liquidity and residual duration of assets and off-balance sheet exposures. In addition, the internal policy on structural liquidity also includes early warning indicators for maturities of more than 1 year, with particular attention to long-term gaps (>5 years).

Intraday liquidity is subject to constant monitoring within the Group. In 2025, the update of the regulations and internal processes further reinforced the related framework, further strengthening the principles and instruments supporting the effective management of this risk.
The roles and responsibilities of the various corporate functions involved were redefined and the monitoring process for intraday cash flows was intensified, particularly with respect to significant currencies. The enhancement of the framework also included the redefinition of the minimum liquidity reserve buffers, calibrated to historical outflow peaks and stress scenarios, to ensure payment continuity even under adverse market conditions, together with the adoption of an early warning system.

The "Group Liquidity Risk Management Guidelines" also establish methods for management of a potential liquidity crisis, defined as a situation of difficulty or inability of the Bank to meet its cash obligations falling due, without implementing procedures and/or employing instruments that, due to their intensity or manner of use, do not qualify as ordinary administration.

By setting itself the objectives of safeguarding the Group's asset value and also guaranteeing business continuity under conditions of extreme liquidity emergency, the Contingency Liquidity Plan (CLP) ensures the identification of the early warning signals and their ongoing monitoring, the definition of procedures to be implemented in situations of liquidity stress, also indicating the immediate lines of action, and the intervention measures for the resolution of emergencies. The early warning indices, aimed at spotting the signs of a potential liquidity strain, both systematic and specific, are monitored with daily frequency by Market & Financial Risk Management. Within this framework, the Group Treasury & Capital Management structure was officially entrusted with drawing up the Contingency Funding Plan (CFP), which contains the various lines of actions that can be activated in order to face potential stress situations, specifying the extent of the mitigating effects attainable in the short-term.
The CLP is part of the more general plan of Crisis Management (i.e. it is the first step of the escalation process envisaged in the management of liquidity emergencies) and the instruments envisaged in it represent a selection of recovery actions that are considered to be implementable in the short term and before other more radical measures, which are more extraordinary in nature or extent. To this end, intervention strategies and tools are defined according to the type, duration and intensity of the liquidity emergency, as well as the context in which the emergency is expected to occur.

Group liquidity position

The Group's liquidity position - supported by suitable high-quality liquid assets (HQLA) and the significant contribution from retail stable funding - remained within the risk limits set out in the current Group Liquidity Policy for all of 2025.
Both regulatory indicators, LCR and NSFR, were above the regulatory requirements. In 2025, the Liquidity Coverage Ratio (LCR) of the Intesa Sanpaolo Group, measured according to Delegated Regulation (EU) 2015/61, amounted to an average[379] of 139.6% (154.8% in December 2024). The NSFR was also significantly higher than 100%, supported by a solid base of stable deposits from customers, in addition to adequate wholesale medium/long-term securities funding. As at 31 December 2025, the Intesa Sanpaolo Group's NSFR, measured in accordance with regulatory instructions, was 122.0% (121.4% at the end of 2024).

The surpluses of both regulatory indicators, LCR and NSFR, are mainly originated within the Eurozone sub-consolidation scope. For the purposes of the LCR indicator, individual surpluses recorded at some international subsidiaries are also sterilised on consolidation, in accordance with the applicable prudential supervisory regulations.
At the end of December 2025, the value of the total unencumbered HQLA reserves, at the various Treasury Departments of the Group, amounted to 128.5 billion euro (127.4 billion euro at the end of 2024). These reserves consisted of around 28% cash as a result of the temporary excess liquidity payments in the form of unrestricted deposits held at central banks. Adding the other marketable reserves and/or eligible reserves for Central Banks, including retained self-securitisations, the Group's total unencumbered liquidity reserves amounted to 214.4 billion euro (207 billion euro at the end of 2024), of which 83% held at the Parent Company's Central Treasury and 17% at decentralised treasuries, based on the local needs of the Group's various subsidiaries.
The total unencumbered reserves of the Group increased mainly due to the higher liquidity surplus from operations of the Group's Commercial Network, used for the repayment of medium/long-term (MLT) funding, and higher production of ECB-eligible self-retained securitisations.

(millions of euro)

	Unencumbered (net of haircut)	
	31.12.2025	31.12.2024
HQLA Liquidity Reserves	**128,476**	**127,378**
Cash and Deposits held with Central Banks (HQLA)	32,822	35,446
Highly liquid securities (HQLA)	82,741	81,064
Other HQLA reserves not included in LCR	12,913	10,868
Other eligible and/or marketable reserves	**85,896**	**79,621**
Total Group's Liquidity Buffer	**214,372**	**206,999**

Regular stress tests are carried out to assess the impact of negative events on the company liquidity position and on the adequacy of liquidity reserves, in relation to the current and prospective situation of the Group, the Bank and the market, to enable the Corporate Bodies to promptly recognise any unexpected vulnerability and to direct the activation of consequent corrective measures.

Considering the high amounts of unencumbered liquidity reserves (liquid or eligible), the stress tests, in a combined scenario of market and specific crises (with significant loss in customer deposits), yielded results in excess of the target threshold for the Intesa Sanpaolo Group, with a liquidity surplus capable of meeting extraordinary cash outflows for a period of more than 3 months.

Generally, Intesa Sanpaolo's funding strategy is based on maintaining diversity in terms of customers, products, maturities and currencies. Intesa Sanpaolo's main sources of funding consist of: (i) deposits from the domestic Retail and Corporate market, which represent the stable portion of funding, (ii) medium/long-term funding, mainly composed of own issues (senior debt securities in the euro and US markets, in addition to subordinated securities and covered bonds/ABSs), (iii) short-term funding on wholesale markets, largely consisting of repurchase agreements and CD/CP funding; and (iv) repurchase agreements on eligible retained assets.

[379] The figure shown refers to the simple average of the last 12 months of monthly observations, as per Regulation (EU) 2024/3172.

The “Group Liquidity Risk Management Guidelines” require the regular monitoring of the concentration analyses for the funding (by counterparty/product) and for the liquidity reserves (by issuer/counterparty).

Adequate and timely information regarding the development of market conditions and the position of the Bank and/or Group was regularly provided to the corporate bodies and internal committees in order to ensure full awareness and manageability of the risk factors. This report includes an assessment of the liquidity risk exposure, also determined based on the adverse scenarios. The Board of Directors of Intesa Sanpaolo is regularly involved in defining the strategy for maintaining an adequate liquidity position at the level of the entire Group.

The corporate assessment on the adequacy of Intesa Sanpaolo’s liquidity position is reported in the ILAAP, which also includes the Group’s Funding Plan. Within the annual approval process for this report by the Corporate Bodies of Intesa Sanpaolo, the Liquidity Adequacy Statement (LAS) approved by the Board of Directors, which also presents the main findings from the self-assessment of the adequacy of the liquidity position, taking into account the results and values shown by the main indicators, confirms that the management of the liquidity position is considered to be adequate and deeply rooted in the Group’s culture and business processes. It also notes, including from a prospective standpoint, that the current system of rules and procedures appears adequate to ensure a prompt and effective reaction should the risks and challenges actually materialise in severe and adverse stress scenarios.

QUANTITATIVE INFORMATION

1. Breakdown by contractual residual maturity of financial assets and liabilities

The breakdown by maturity of financial assets and liabilities is shown in the tables below according to the rules set forth in the financial statement regulations (Bank of Italy Circular 262 and related clarifications issued by the Supervisory Authority), using accounting information organised by contractual residual maturity. Therefore, no operational data was used that would require, for example, the modelling of core deposits and the representation of on-balance sheet items according to their level of liquidability.

Currency of denomination: Euro

(millions of euro)

Type/Residual maturity	On demand	Between 1 and 7 days	Between 7 and 15 days	Between 15 days and 1 month	Between 1 and 3 months	Between 3 and 6 months	Between 6 months and 1 year	Between 1 and 5 years	Over 5 years	Unspecified maturity
A. Cash assets	**65,649**	**13,011**	**8,374**	**15,275**	**26,135**	**25,224**	**35,539**	**169,681**	**229,566**	**4,841**
A.1 Government bonds	4	2	183	586	954	1,259	2,039	25,670	63,589	-
A.2 Other debt securities	412	248	662	2,905	712	1,079	1,738	16,206	33,347	3
A.3 Quotas of UCI	3,359	-	-	-	-	-	-	-	3	-
A.4 Loans	61,874	12,761	7,529	11,784	24,469	22,886	31,762	127,805	132,627	4,838
- Banks	24,692	4,501	670	473	4,594	5,076	2,897	3,524	686	4,797
- Customers	37,182	8,260	6,859	11,311	19,875	17,810	28,865	124,281	131,941	41
B. Cash liabilities	**382,562**	**51,027**	**5,516**	**5,119**	**18,290**	**14,145**	**19,212**	**60,111**	**37,188**	**-**
B.1 Deposits and current accounts	356,918	5,737	3,710	2,959	7,364	4,469	3,255	2,279	536	-
- Banks	2,261	730	52	113	99	54	126	477	254	-
- Customers	354,657	5,007	3,658	2,846	7,265	4,415	3,129	1,802	282	-
B.2 Debt securities	14	272	282	1,147	6,779	6,551	15,076	52,151	31,407	-
B.3 Other liabilities	25,630	45,018	1,524	1,013	4,147	3,125	881	5,681	5,245	-
C. Off-balance sheet transactions										
C.1 Financial derivatives with exchange of capital										
- Long positions	225	9,724	8,398	8,658	29,627	8,686	7,019	15,350	11,815	-
- Short positions	210	7,182	4,114	4,359	14,476	6,515	6,517	12,832	16,872	-
C.2 Financial derivatives without exchange of capital										
- Long positions	17,343	66	1	19	497	524	866	516	82	-
- Short positions	23,306	191	9	103	203	419	589	516	82	-
C.3 Deposits and loans to be settled										
- Long positions	64,577	-	-	-	-	-	-	-	-	-
- Short positions	-	61,368	455	2,494	-	250	-	8	-	-
C.4 Irrevocable commitments to lend funds										
- Long positions	4,023	7,377	1,806	736	1,269	2,077	2,107	25,231	3,081	-
- Short positions	44,135	49	8	102	30	71	178	92	-	-
C.5 Financial guarantees given	1,184	3	14	32	175	258	335	467	145	-
C.6 Financial guarantees received	103	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of capital										
- Long positions	-	-	-	-	-	178	90	113	661	-
- Short positions	-	-	-	-	-	178	90	113	661	-
C.8 Credit derivatives without exchange of capital										
- Long positions	3,126	-	-	-	-	-	-	-	-	-
- Short positions	3,176	-	-	-	-	-	-	-	-	-

Currency of denomination: Other currencies

(millions of euro)

Type/Residual maturity	On demand	Between 1 and 7 days	Between 7 and 15 days	Between 15 days and 1 month	Between 1 and 3 months	Between 3 and 6 months	Between 6 months and 1 year	Between 1 and 5 years	Over 5 years	Unspecified maturity
A. Cash assets	**14,692**	**5,135**	**5,270**	**3,985**	**6,494**	**5,017**	**5,805**	**29,145**	**24,294**	**2,979**
A.1 Government bonds	1	590	123	150	1,383	685	1,240	8,136	14,140	-
A.2 Other debt securities	405	26	179	104	199	77	528	5,208	3,559	-
A.3 Quotas of UCI	848	-	-	-	-	-	-	-	-	-
A.4 Loans	13,438	4,519	4,968	3,731	4,912	4,255	4,037	15,801	6,595	2,979
- Banks	10,862	1,644	3,141	873	1,508	884	763	651	35	2,952
- Customers	2,576	2,875	1,827	2,858	3,404	3,371	3,274	15,150	6,560	27
B. Cash liabilities	**23,905**	**9,713**	**4,485**	**3,199**	**4,578**	**2,359**	**2,566**	**7,436**	**13,772**	**-**
B.1 Deposits and current accounts	20,873	2,975	1,419	1,964	2,347	1,245	902	1,333	342	-
- Banks	2,437	1,238	115	244	149	87	60	239	230	-
- Customers	18,436	1,737	1,304	1,720	2,198	1,158	842	1,094	112	-
B.2 Debt securities	251	90	1,679	227	921	1,104	1,170	4,879	9,865	-
B.3 Other liabilities	2,781	6,648	1,387	1,008	1,310	10	494	1,224	3,565	-
C. Off-balance sheet transactions										
C.1 Financial derivatives with exchange of capital										
- Long positions	126	13,640	5,385	7,373	13,680	8,180	9,717	16,734	8,054	-
- Short positions	235	15,679	7,241	11,274	26,710	10,419	10,448	19,770	6,615	-
C.2 Financial derivatives without exchange of capital										
- Long positions	2,623	177	-	-	3	9	-	30	-	-
- Short positions	2,244	-	-	-	12	8	17	31	-	-
C.3 Deposits and loans to be settled										
- Long positions	318	-	-	-	-	-	-	-	-	-
- Short positions	1	30	33	-	56	-	1	-	197	-
C.4 Irrevocable commitments to lend funds										
- Long positions	1,418	12	59	401	506	1,254	2,101	13,967	3,217	-
- Short positions	21,250	206	-	-	3	1	1	4	-	-
C.5 Financial guarantees given	373	63	7	28	95	92	353	338	80	-
C.6 Financial guarantees received	71	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of capital										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of capital										
- Long positions	1,972	-	-	-	-	-	-	-	-	-
- Short positions	1,991	-	-	-	-	-	-	-	-	-

2. Self-securitisations

A brief illustration of the securitisations originated by Intesa Sanpaolo outstanding as at 31 December 2025 is shown below, in which the Bank subscribed all the securities issued by the related vehicle (self-securitisations), and which need not be shown in the tables of Part E, Section C "Securitisations" of the Notes to the consolidated financial statements.

Brera Sec S.r.l. (SEC 3)

In October 2021, a self-securitisation was structured, implemented through the sale of a loan portfolio originated by Intesa Sanpaolo to the vehicle company Brera Sec S.r.l. This transaction is the Group's third Residential Mortgage Backed Security ("RMBS") securitisation.

Intesa Sanpaolo has acquired a minority interest (5%) in the newly established vehicle, purchased on the market, and control (95%) is held by a corporate entity outside the Group (Dutch-registered foundation known as a Stichting).

Intesa Sanpaolo takes care of the accounting management for the vehicle, whereas the corporate administration will be carried out by Securitisation Services S.p.A.

The transaction involved the issuance by the vehicle company of two tranches of securities: a listed senior tranche, with a rating assigned by two rating agencies (Moody's and Morningstar DBRS) and an unlisted junior tranche without rating.

Both the senior security and the junior security were subscribed by Intesa Sanpaolo.

The senior security issued through the transaction, with a Moody's Aa2 and a Morningstar DBRS AA (Low) rating, can be used as collateral for refinancing operations in the Eurosystem.

The total sale consideration was 7.7 billion euro. The sale price of the portfolio was settled through the issuance of securities on 1 December 2021 for the same amount.

As at 31 December 2025, the value of the outstanding securities was 5,335 million euro for the senior securities and 725 million euro for the junior securities.

Brera Sec S.r.l. (SEC 4)

In September 2025, a new self-securitisation was structured, implemented through the sale of a loan portfolio originated by Intesa Sanpaolo to the vehicle company Brera Sec S.r.l. This transaction is the Group's fourth Residential Mortgage Backed Security ("RMBS") securitisation.
Intesa Sanpaolo takes care of the accounting management for the vehicle, whereas the corporate administration will be carried out by Securitisation Services S.p.A.
The transaction involved the issuance by the vehicle company of two tranches of securities: a listed senior tranche, with a rating assigned by two rating agencies (Moody's and Morningstar DBRS) and an unlisted junior tranche without rating.
Both the senior security and the junior security were subscribed by Intesa Sanpaolo.
The senior security issued through the transaction, with a Moody's Aa2 and a Morningstar DBRS A (High) rating, can be used as collateral for refinancing operations in the Eurosystem.
The total sale consideration was 8.4 billion euro. The sale price of the portfolio was settled through the issuance of securities on 5 November 2025 for the same amount.
As at 31 December 2025, the value of the outstanding securities was 7,630 million euro for the senior securities and 801 million euro for the junior securities.

Clara Sec S.r.l.

In 2020, a self-securitisation was structured involving receivables arising from performing personal loans within the consumer credit area and disbursed to consumer households, originated by Intesa Sanpaolo to the vehicle company Clara Sec S.r.l.
The securitisation is a revolving transaction and Intesa Sanpaolo has the option to sell the vehicle further loan portfolios with similar characteristics and quality, which the Vehicle will purchase by drawing on the receipts generated by the portfolio segregated over time.
Intesa Sanpaolo has acquired a minority interest (5%) in the newly established vehicle, which was purchased on the market, and control (95%) will remain with an entity from outside the Group (Dutch-registered foundation known as a Stichting).
Intesa Sanpaolo takes care of the accounting management for the vehicle, whereas the corporate administration will be carried out by Securitisation Services S.p.A.
The transaction involved the issuance by the vehicle company of two tranches of securities: a listed senior tranche, with a rating assigned by two rating agencies (Moody's and Morningstar DBRS) and an unlisted junior tranche without rating.
Both the senior security and the junior security were subscribed by Intesa Sanpaolo.
The senior security issued through the transaction, with a Moody's A1 and a Morningstar DBRS AA (Low) rating, can be used as collateral for refinancing operations in the Eurosystem.
The total sale consideration was 7.2 billion euro. The sale price of the portfolio was settled through the issuance of securities on 23 June 2020 for the same amount.
In 2025, the following transactions were completed:
– in February, buyback of non-performing loans for 56.5 million euro;
– in March, sale for an amount of 593 million euro;
– in June, retrocession of loans for an amount of 56.8 million euro;
– in October, sale for an amount of 521 million euro.

As at 31 December 2025, the value of the outstanding securities was 6,350 million euro for the senior securities and 824 million euro for the junior securities.

Giada Sec S.r.l.

In November 2020, a self-securitisation was structured, implemented through the sale of a portfolio of loans, disbursed to companies belonging to the Small Business, SME and Corporate segment and originated by Intesa Sanpaolo, to the vehicle company Giada Sec. S.r.l.
The securitisation is a revolving transaction and Intesa Sanpaolo has the option to sell the vehicle further loan portfolios with similar characteristics and quality, which the Vehicle will purchase by drawing on the receipts generated by the portfolio segregated over time.
Intesa Sanpaolo has acquired a minority interest (5%) in the newly established vehicle, purchased on the market, and control (95%) is held by a corporate entity outside the Group (Dutch-registered foundation known as a Stichting).
Intesa Sanpaolo takes care of the accounting management for the vehicle, whereas the corporate administration will be carried out by Securitisation Services S.p.A.
The transaction involved the issuance by the vehicle company of two tranches of securities: a listed senior tranche, with a rating assigned by two rating agencies (Moody's and Morningstar DBRS) and an unlisted junior tranche without rating.
Both the senior security and the junior security were subscribed by Intesa Sanpaolo.
The senior security issued through the transaction, with a Moody's Aa3 and a Morningstar DBRS A (High) rating, can be used as collateral for refinancing operations in the Eurosystem.
The total sale consideration was 10.1 billion euro. The sale price of the portfolio was settled through the issuance of securities on 21 December 2020 for the same amount.
In 2025, the following transactions were completed:
– in February, buyback of non-performing loans for 58.4 million euro;
– in April, sale for an amount of 1.5 billion euro;
– in September, sale for an amount of 2.7 billion euro.

As at 31 December 2025, the value of the outstanding securities was 6,610 million euro for the senior securities and 3,485 million euro for the junior securities.
The transaction is due to be extinguished in 2026, with the full repurchase of the loan portfolio in July and the completion of the closure on the payment date of 4 September 2026.

Giada Sec S.r.l. (GIADA BIS)

In October 2022, a new self-securitisation was structured, implemented through the sale of a loan portfolio originated by Intesa Sanpaolo, disbursed to small and medium enterprises ("SMEs"), including sole proprietorships and loans granted to Corporate customers not belonging to the large Corporate segment, to the special purpose vehicle Giada Sec. S.r.l.

The securitisation is a revolving transaction and Intesa Sanpaolo has the option to sell the vehicle further loan portfolios with similar characteristics and quality, which the Vehicle will purchase by drawing on the receipts generated by the portfolio segregated over time.

Intesa Sanpaolo takes care of the accounting management for the vehicle, whereas the corporate administration will be carried out by Securitisation Services S.p.A.

The transaction involved the issuance by the vehicle company of two tranches of securities: a listed senior tranche, with a rating assigned by two rating agencies (Moody's and Morningstar DBRS) and an unlisted junior tranche without rating.

Both the senior security and the junior security were subscribed by Intesa Sanpaolo.

The senior security issued through the transaction, with a Moody's Aa3 and a Morningstar DBRS A (High) rating, can be used as collateral for refinancing operations in the Eurosystem.

The total sale consideration was 15.2 billion euro. The sale price of the portfolio was settled through the issuance of securities on 5 December 2022 for the same amount.

In 2025, the following transactions were completed:

– in February, buyback of non-performing loans for 98.4 million euro;
– in May, sales for an amount of 2.2 billion euro.

As at 31 December 2025, the value of the outstanding securities was 10,250 million euro for the senior securities and 4,940 million euro for the junior securities.

The transaction is due to be extinguished in 2026, with the full repurchase of the loan portfolio in June and the completion of the closure on the payment date of 16 July 2026.

(millions of euro)

Vehicle	Type of security issued	Type of asset securitised	External rating	Principal as at 31.12.2025
BRERA SEC S.r.l (SEC 3)				
of which issued in euro				**6,060**
Class A RMBS F/R Notes	Senior	Residential mortgage loans	Aa2 Moody's / AAL di Morningstar DBRS	5,335
Class B RMBS Fixed Rate and Additional Return Notes	Junior	Residential mortgage loans	no rating	725
BRERA SEC S.r.l. (SEC 4)				
of which issued in euro				**8,431**
Class A RMBS F/R Notes	Senior	Residential mortgage loans	Aa2 Moody's / AH di Morningstar DBRS	7,630
Class B RMBS Fixed Rate and Additional Return Notes	Junior	Residential mortgage loans	no rating	801
CLARA SEC S.r.l.				
of which issued in euro				**7,174**
Class A Asset Backed F/R Notes	Senior	Personal loans	A1 Moody's / AAL di Morningstar DBRS	6,350
Class B Asset Backed F/R Notes	Junior	Personal loans	no rating	824
GIADA SEC S.r.l.				
of which issued in euro				**10,095**
Class A Asset Backed F/R Notes	Senior	Receivables from Small business, SME and corporate customers	Aa3 Moody's / AH di Morningstar DBRS	6,610
Class B Asset Backed F/R Notes	Junior	Receivables from Small business, SME and corporate customers	no rating	3,485
GIADA SEC S.r.l. (GIADA BIS)				
of which issued in euro				**15,190**
Class A Asset Backed F/R Notes	Senior	Receivables from Small business, SME and corporate customers	Aa3 Moody's / AH di Morningstar DBRS	10,250
Class B Asset Backed F/R Notes	Junior	Receivables from Small business, SME and corporate customers	no rating	4,940
TOTAL				**46,950**

During 2025, the Brera Sec S.r.l. (SEC 2) self-securitisation, structured in 2019, was extinguished.

OTHER INFORMATION ON FINANCIAL RISKS

SOVEREIGN RISK EXPOSURE BY COUNTRY OF RESIDENCE OF THE COUNTERPARTY

The following table illustrates the details of the net exposures of the Intesa Sanpaolo Group to sovereign risk in banking business, based on management data. Financial assets measured at fair value through profit or loss are posted net of short positions on debt securities (on-balance sheet payables included in financial liabilities held for trading).

(millions of euro)

	DEBT SECURITIES				LOANS
	BANKING GROUP			TOTAL (1)	
	Financial assets measured at amortised cost	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss		
EU Countries	**47,176**	**44,498**	**2,883**	**94,557**	**11,636**
Austria	618	1,542	-	2,160	-
Belgium	4,050	5,043	50	9,143	-
Bulgaria	-	48	-	48	-
Croatia	1,689	245	38	1,972	1,309
Cyprus	-	-	-	-	-
Czech Republic	-	400	49	449	-
Denmark	-	-	-	-	-
Estonia	-	-	-	-	-
Finland	251	256	-	507	-
France	7,069	7,295	707	15,071	1
Germany	334	1,570	-98	1,806	15
Greece	-	-	3	3	-
Hungary	1,078	1,309	132	2,519	373
Ireland	384	78	-	462	-
Italy	19,914	10,643	1,754	32,311	8,846
Latvia	-	-	-	-	7
Lithuania	-	-	-	-	-
Luxembourg	315	1,079	1	1,395	-
Malta	-	-	-	-	-
The Netherlands	834	84	-	918	-
Poland	422	126	19	567	-
Portugal	535	656	-3	1,188	58
Romania	55	877	15	947	246
Slovakia	1,720	895	35	2,650	344
Slovenia	89	174	-	263	367
Spain	7,819	12,178	181	20,178	70
Sweden	-	-	-	-	-
Non-EU Countries					
Albania	8	700	8	716	-
Egypt	430	1,016	-	1,446	419
Japan	-	3,190	-53	3,137	-
Russia	-	-	-	-	-
Serbia	7	461	-	468	600
United Kingdom	-	1,566	3	1,569	-
U.S.A.	2,974	7,537	-142	10,369	-

Management data

(1) Debt securities from insurance business (excluding securities in which gathered amounts are invested from insurance policies where the total risk is borne by the policyholders) relating to Italy amounted to 42,418 million euro.

As illustrated in the table, the Banking Group's exposure to securities issued by Italian central and local governments at the end of 2025 totalled around 32 billion euro (around 21 billion euro at 31 December 2024), in addition to around 9 billion euro represented by loans (around 8 billion euro at the end of 2024).

INFORMATION ON STRUCTURED CREDIT PRODUCTS

The risk exposure in structured credit products came to 7,400 million euro as at 31 December 2025, a net increase of 1,300 million euro compared to the stock of 6,100 million euro as at 31 December 2024. The exposure includes investments in CLOs (Collateralised Loan Obligations) of 4,233 million euro, in ABSs (Asset-Backed Securities) of 3,099 million euro and in CDOs (Collateralised Debt Obligations) of 68 million euro, which continued to be a marginal activity also in 2025.

(millions of euro)

Accounting categories	31.12.2025				31.12.2024	Changes	
	Collateralized Loan Obligations	Asset Backed Securities	Collateralized Debt Obligations	Total		absolute	%
Financial assets held for sale	248	879	-	**1,127**	**961**	166	17.3
Financial assets mandatorily measured at fair value	-	-	-	**-**	**-**	-	-
Financial assets measured at fair value through other comprehensive income	2,158	416	-	**2,574**	**2,204**	370	16.8
Financial assets measured at amortised cost	1,827	1,804	68	**3,699**	**2,935**	764	26.0
Total	**4,233**	**3,099**	**68**	**7,400**	**6,100**	**1,300**	**21.3**

In this disclosure, structured credit products include debt securities held by the Group divided into tranches upon issuance consisting of various degrees of subordination and not issued within transactions originated by entities of the Intesa Sanpaolo Group or by public entities, in addition to those issued within transactions where the Group finances its corporate and financial institution customers[380].

The performance of the portfolio in 2025 shows higher overall investments than disposals and redemptions, with a total increase of 1,300 million euro, mainly attributable to the operations of the IMI Corporate & Investment Banking Division.

Exposures measured at fair value (CLO and ABS debt securities) increased by 536 million euro, from 3,165 million euro in December 2024 to 3,701 million euro in December 2025. The net increase was attributable to higher investments totalling 2,190 million euro, of which 903 million euro relating to financial assets held for trading and 1,287 million euro to financial assets measured at fair value through other comprehensive income, offset by redemptions and disposals totalling 1,654 million euro, of which 737 million euro relating to the first component and 917 million euro to the second component.

Exposures classified among assets measured at amortised cost (CLO, ABS and CDO debt securities) amounted to 3,699 million euro in December 2025, compared with a balance of 2,935 million euro in December 2024, a net increase of 764 million euro, generated by higher investments of 1,553 million euro, only partially offset by disposals and reimbursements of 789 million euro. From the perspective of the income statement, the overall profit of +6 million euro in 2025 compares with a profit of +15 million euro in 2024.

The performance of assets held for trading, as at 31 December 2025, amounted to +6 million euro and related to the CLO and ABS exposures (+7 million euro from realisation impacts and -1 million euro from valuation effects), whereas as at 31 December 2024 it amounted to +11 million euro, again relating to exposures in CLO and ABS (+9 million euro from realisation impacts and +2 million euro from valuation effects).

The exposures to debt securities classified as assets measured at fair value through other comprehensive income recorded a net increase in fair value of +6 million euro in 2025 through a shareholders' equity reserve (from a reserve of -9 million euro in December 2024 to -3 million euro in December 2025), while the income statement for 2025 showed impacts from sales of -1 million euro, compared to +4 million euro in 2024.

On the debt securities classified as assets measured at amortised cost, the income statement result as at 31 December 2025 of +1 million euro was the same as the result as at 31 December 2024.

(millions of euro)

Income statement results broken down by accounting category	2025				2024	Changes	
	Collateralized Loan Obligations	Asset Backed Securities	Collateralized Debt Obligations	Total		absolute	%
Financial assets held for sale	1	5	-	**6**	**11**	-5	-45.5
Financial assets mandatorily measured at fair value	-	-	-	**-**	**-1**	-1	
Financial assets measured at fair value through other comprehensive income	-1	-	-	**-1**	**4**	-5	
Financial assets measured at amortised cost	-	1	-	**1**	**1**	-	-
Total	**-**	**6**	**-**	**6**	**15**	**-9**	**-60.0**

INFORMATION ON LEVERAGED TRANSACTIONS

In line with the ECB reference regulations, "Guidance on Leveraged Transactions", the scope of leveraged transactions includes exposures in which the borrower's level of leverage, measured as the ratio of total financial debt to EBITDA, is greater than 4, as well as exposures where the borrower is owned by one or more financial sponsors. Moreover, counterparties with Investment

[380] This is implemented by the Group through its subsidiary Duomo Funding Plc.

Grade ratings, private individuals, credit institutions, financial institutions and companies in the financial sector in general, public entities, non-profit entities, as well as counterparties with credit facilities below a certain materiality threshold (5 million euro), Retail SME counterparties and Corporate SME counterparties (the latter if not owned by financial sponsors) are explicitly excluded from that scope. Specialised lending transactions (project finance, real estate and asset financing) and certain other types of credit facilities, such as trade finance transactions, are also excluded.
As at 31 December 2025, for the Intesa Sanpaolo Group, the transactions that meet the definition of Leveraged Transactions as per the ECB Guidance amounted to 27.6 billion euro (down by around 2 billion euro compared to 31 December 2024), relating to 2,190 credit lines. The geographical distribution shows that more than half of the transactions, in terms of volume, were with domestic counterparties (52%). The main economic macro-sectors of the counterparties concerned were the industrial, services and financial sectors.
In accordance with the requirements of the ECB Guidance, as part of the Credit Risk Appetite specific limits for the outstanding stock of leveraged transactions and on new transaction flows were submitted for approval to the Board of Directors, in line with the Bank's risk appetite on these types of operations.

INFORMATION ON INVESTMENTS IN HEDGE FUNDS

The Parent Company's hedge fund portfolio as at 31 December 2025 amounted to 295 million euro for the trading book and 195 million euro for the banking book for a total of 490 million euro, compared to 245 million euro and 204 million euro, respectively, for a total of 449 million euro as at 31 December 2024.
The investments in the banking book are recognised under financial assets mandatorily measured at fair value and pertain to funds that adopt medium- to long-term investment strategies and average redemption times that are longer than those of UCITS (Undertakings for Collective Investment Schemes in Transferable Securities) funds.
In 2025, there was an increase of +41 million euro on the end of the previous year, including greater investments of +48 million euro, disposals of -19 million euro, changes in fair value of +20 million euro, and adjustments to current exchange rates of -8 million euro.
Specifically, the investments were mainly made in the trading book in the amount of 40 million euro, involving UCITS hedge funds that better meet the capital absorption requirements in accordance with the CRR. The disposals relate to the banking book, the positive changes in fair value were made up of +11 million euro for the trading book and +9 million euro for the banking book, while the adjustments to current exchange rates consisted of -1 million euro for the trading book and -7 million euro for the banking book.
In terms of effects on the income statement, 2025 recorded an overall positive result of +21 million euro, attributable to valuation effects of +20 million euro (trading book +11 million euro and banking book +9 million euro) and to realisation impacts on the banking book of +1 million euro. In 2024, the result in the income statement was an overall positive amount of +29 million euro, entirely attributable to valuation components (trading book +12 million euro and banking book +17 million euro).
Within the Intesa Sanpaolo Group, as at 31 December 2025 Eurizon Capital SGR held hedge funds for a total of 14 million euro (exposure unchanged compared to 31 December 2024), at fair value through profit or loss of +0.6 million euro from valuation effects (-0.1 million euro also from valuations as at 31 December 2024). Hedge funds are held according to a seeding approach that involves setting up a service portfolio consisting of shares of mutual funds for which marketing has begun in support of the funds.

INFORMATION ON TRADING TRANSACTIONS IN DERIVATIVES WITH CUSTOMERS

Considering relations with customers only, as at 31 December 2025, the Intesa Sanpaolo Group, in relation to derivatives trading with retail customers, non-financial companies and public entities (therefore excluding banks, financial and insurance companies), presented a positive fair value, not having applied netting agreements, of 2,071 million euro (3,039 million euro as at 31 December 2024). The notional value of these derivatives totalled 45,883 million euro (47,654 million euro as at 31 December 2024).
In particular, the notional value of plain vanilla contracts was 41,623 million euro (43,606 million euro as at 31 December 2024), while that of structured contracts was 4,260 million euro (4,048 million euro as at 31 December 2024).
The positive fair value of contracts outstanding with the 10 customers with the highest exposures was 1,036 million euro (1,544 million euro as at 31 December 2024).
Conversely, the negative fair value referring to total contracts outstanding, determined with the same criteria, for the same types of contracts and with the same counterparties, totalled 2,057 million euro as at 31 December 2025 (2,417 million euro as at 31 December 2024). The notional value of these derivatives totalled 48,098 million euro (52,267 million euro as at 31 December 2024).
In particular, the notional value of plain vanilla contracts was 44,198 million euro (47,487 million euro as at 31 December 2024), while that of structured contracts was 3,900 million euro (4,780 million euro as at 31 December 2024).
The fair value of derivative financial instruments entered into with customers was determined considering, as for all other OTC derivatives, the creditworthiness of the single counterparty ("Bilateral Credit Value Adjustment"), which resulted in the recognition of an overall nil impact in the income statement as at 31 December 2025 under "Profits (losses) on trading" (negative impact of 14 million euro as at 31 December 2024).
As regards the methodologies used in determining the fair value of financial instruments, see the specific paragraphs in the Notes to the financial statements - Part A – Accounting policies.
Please note that the figures reported above do not include fair value of derivatives embedded in structured bond issues as well as the related hedges taken out by the Group.

1.5 OPERATIONAL RISKS

QUALITATIVE INFORMATION

A. General aspects, operational risk management processes and measurement methods

Operational risk is the risk of incurring losses resulting from inadequate or failed internal processes, people and systems or from external events. The risk taxonomy adopted by the Group, as agreed upon by the Corporate Control Functions, for the component of economic losses, includes the following risks within operational risk: legal, conduct, compliance, financial crime, tax, technological, cyber security, physical security, third-party, data quality, fraud, process, and employer risk. Strategic and reputational risk are not included.
The Intesa Sanpaolo Group adopts an undertaking and management strategy of operational risk based on prudent management principles and aimed at guaranteeing long-term solidity and continuity for the company. In addition, the Group pays particular attention to achieving an optimal balance between growth and profitability and the resulting risks.
For ICT risk, included within the definition of operational risk, the Group adopts the following definition, in line with international best practice: the risk of incurring losses due to breaches of confidentiality, lack of integrity and inadequacy of systems and data, unavailability of systems and data, or the inability to replace information technology within reasonable time and cost limits, in the event of changes in the requirements of the external environment or the business (agility). It also includes security risk resulting from inadequate or incorrect internal processes or external events, including cyber attacks, or an inadequate level of physical security.
The Intesa Sanpaolo Group considers its information system a tool of primary importance to the achievement of its strategic, business and social responsibility objectives, including in the light of the critical nature of the company processes that depend on it. Accordingly, the Group has committed to creating a resilient environment and investing in assets and infrastructure designed to minimise the potential impact of ICT and security events and to protect its business, image, customers and employees.

In line with these objectives, the Intesa Sanpaolo Group has established an integrated framework for the governance of Operational, ICT and Security risks made up of regulations, organisational processes and systems for the identification, assessment and measurement, monitoring and control, and mitigation and reporting of operational risks within the Parent Company and its subsidiaries. The regulations in the area, issued by the Parent Company and adopted by the Group companies, where applicable, establish common principles regarding the role of the corporate bodies and the various company functions involved in the process.

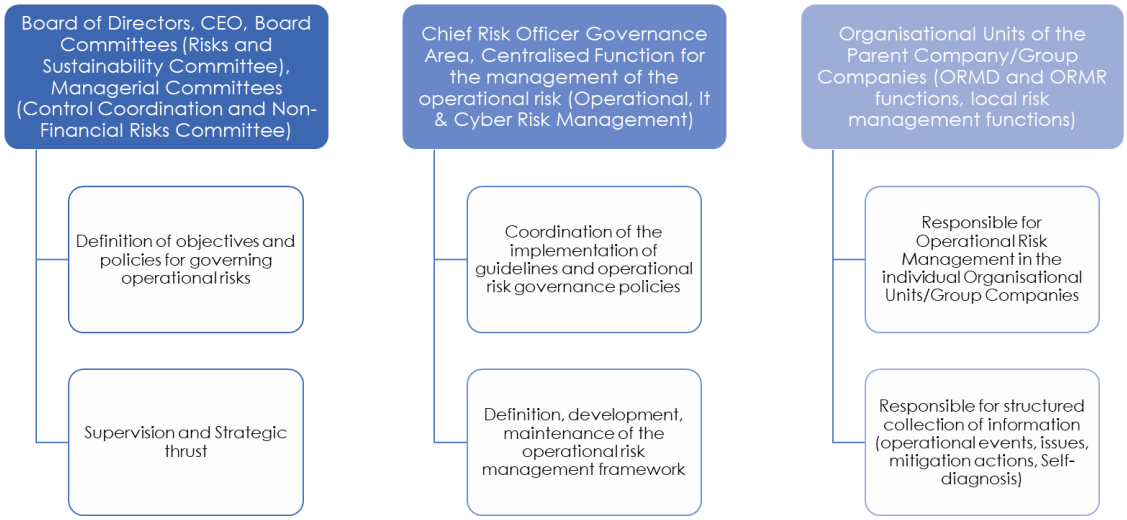
Compliance of the operational risk control and measurement system with external regulations and the requirements established by the internal regulations is assessed by an independent internal validation function, as well as the third-level control function.

Since January 2025, following the entry into force of Regulation (EU) 2024/1623 amending Regulation (EU) 575/2013 and implementing Basel 4 agreements, the Intesa Sanpaolo Group has calculated the prudential capital requirement for operational risks based on the Standardised Approach (SA).

Governance Model

An effective and efficient framework for managing operational, ICT and security risks must be fully integrated into decision-making processes and management of business operations. Accordingly, the Intesa Sanpaolo Group has chosen to involve the organisational units (business units, head-office/support structures) of the Parent Company, the banks and Group companies with direct responsibility in the Operational, ICT & Security Risk Management process.
The operational, ICT and security risk governance model has been developed with a view to:

– optimising and maximising organisational safeguards, interrelations and information flows between the existing organisational units and integration of the operational, ICT and security risk management approach with other company models developed for specific risks (Business Continuity, IT Security, etc.);
– guaranteeing transparency and spread of the models, methods and criteria of analysis, assessment and measurement criteria used to facilitate the process of cultural diffusion and comprehension of the logic underlying the choices made.



To implement this approach, the Group has established a governance system based on the following principles:
– formalising management's involvement in the management of operational risks, through the establishment of the Group Control Coordination and Non-Financial Risks Committee (CCNFRC);
– assigning responsibility for the Group operational risk governance framework to the Parent Company, by allocating it to the Operational, IT & Cyber Risk Management (hereinafter also ORMC) within the Chief Risk Officer Governance Area, independent from the operational and business functions;
– involving the operational and business functions in the operational risk governance process and, in support of the Heads of Organisational Units concerned, identifying specific organisational structures that perform the function of Decentralised Operational Risk Management (ORMD) or Operational Risk Management Officer (ORMR), which are also responsible for ensuring the quality of the data and information provided to ORMC within the operational risk management processes;
– the Corporate Bodies and the various management and technical committees, each within their scope of responsibility, participate in risk management through activities including i) defining the risk appetite through the Risk Appetite Framework; ii) reviewing and approving project initiatives/investments necessary to ensure the effectiveness of the ORM system; iii) analysing the most significant critical issues and approving the related mitigation actions; iv) developing the corporate governance framework for risk management; v) assessing in advance the operational risks inherent in products/services/investments; vi) receiving and reviewing information on specific topics and significant events, also in terms of reputational impact, and determining the related corrective actions; and vii) receiving and reviewing reporting and periodic reports to monitor developments in this area.

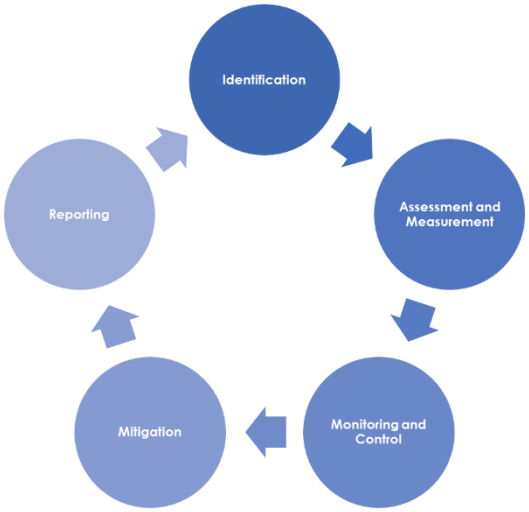
The centralised operational risk management function, represented by Operational, IT & Cyber Risk Management (OICYB), is divided into two distinct units:
Operational Risk Management, which is responsible for:
– designing the operational risk framework (including third parties);
– participating in the assessment of outsourcing arrangements and ICT procurement;
– translating assessments into synthetic risk measures;
– performing second-level controls (loss data, self-diagnoses, third parties);
– coordinating the ORMD functions and local risk management activities in the various organisational units and Group banks and companies;
– preparing internal and external reporting on operational risk and the Chief Risk Officer Area Tableau de Bord of critical issues.
IT & Cyber Risk Management, which is responsible for:
– designing and overseeing the ICT, security and data quality risk framework;
– assessing and monitoring IT and cyber risks, also through stress tests and scenario analyses;
– supporting ICT strategies and AI risk governance;
– conducting second-level controls on ICT and cybersecurity;
– coordinating training and monitoring the related corrective measures;
– ensuring internal and external reporting on ICT & Security risk.

In compliance with current requirements, the individual organisational units are responsible for identifying, assessing, managing and mitigating risks. Specific officers and departments have been identified within these organisational units to be responsible for Operational, ICT & Security Risk Management (structured collection of information relative to operational events, detection of issues and related mitigation actions, scenario analyses and evaluation of the risk associated with their organisational units and the related processes).

In order to support the operational, ICT and security risk management process on a continuous basis, a structured training programme has been implemented for employees actively involved in this process.

Group Operational, ICT and Security Risk Management Process

The Intesa Sanpaolo Group's operational, ICT and security risk management process is divided into the following phases:



Identification

The identification phase includes the collection and classification of qualitative and quantitative information that allows to identify and describe the Group's potential areas of operational, ICT and security risk. Specifically, this phase involves the:

- collection and updating of data on operational events (Loss Data Collection), decentralised to the Organisational Units;
- identification of the company processes and components of the IT system at highest potential risk;
- identification of projects that will involve relevant changes to the IT system or changes to critical components of the IT system;
- identification of significant risk scenarios, also based on the external context (e.g., external loss data, regulatory development, emerging trends, strategic and threat intelligence);
- identification and analysis of issues affecting the Group's areas of operation.

Assessment and measurement

The assessment and measurement phase includes the process of qualitative and quantitative determination of the Group's exposure to operational, ICT and security risks.

It includes:

- at least annual performance of the Self-Diagnosis, consisting of the self-assessment of the exposure to operational, ICT and security risk;
- performance of preventive analyses of operational, ICT and security risks deriving from agreements with third parties (e.g., outsourcing of activities), business operations or project initiatives, introduction or revision of new products and services, launch of new activities and entry into new markets;
- definition of the relevance of identified issues;
- transformation of the evaluations collected (e.g., internal and external operational loss data, levels of controls of the risks involved in the processes, probability and impact in the event of occurrence of risk scenarios) into synthetic risk measures;
- calculation of the regulatory capital using the Standardised Approach (SA) required by the Basel 4 regulation (performed by the Administrative function);
- determination of the economic capital using the internal model (AMA) at consolidated level and allocation to the Business Units of the Parent Company and the Group companies (performed by the Enterprise Risk Management function).

Monitoring and control

The aim of the monitoring phase is the ongoing analysis and control of:

- the development of the exposure to operational, ICT and security risks on the basis of the structured organisation of the results of the identification, assessment and measurement processes and the observation of indicators that represent a good estimate of the exposure to operational, ICT and security risks;
- annually (e.g., based on time series of effects and recoveries recorded by the Group and present in the dedicated application) and as specified in the reference documentation of the Risk Appetite Framework (RAF), ORMC establishes the hard and soft limits, early warnings and additional metrics relating to non-financial risks, with the support of the other competent company functions (e.g., Compliance Function and Cybersecurity Function). These metrics are generally monitored quarterly and are reported in advance to the Group Control Coordination and Non-Financial Risks Committee;
- the development of the risk profile inherent in the use of new technologies or in the implementation of significant changes to existing systems.

Mitigation

The mitigation phase includes activities aimed at containing the exposure to operational, ICT and security risks, defined on the basis of the results of the identification, measurement, assessment and monitoring phases. It includes:

– identification, definition and implementation of mitigation actions required to address any weaknesses in controls identified or to bring the significance of detected issues within the set tolerance threshold; the responsibility for defining mitigation initiatives lies with the Heads of Organisational Units (where applicable supported by the ORMD concerned, the Manager responsible for preparing the Company's financial reports, or the outsourcing assessment functions), with the involvement of the competent company functions as Implementation Entities (e.g., Technical Function, Cybersecurity Function, Organisation Function, etc.);
– the establishment of second-level controls on specific processes/activities aimed at risk mitigation;
– promotion of initiatives designed to spread a culture of operational risk within the Group;
– definition of strategies for transferring operational, ICT and security risks, in terms of optimisation of insurance coverage and any other forms of risk transfer adopted by the Group from time to time.

In this regard, in addition to a traditional insurance programme (to protect against offences such as employee infidelity, theft and damage, transport of valuables, computer fraud, forgery, cyber-crimes, fire and earthquake, and third-party liability), the Group has taken out an insurance coverage policy named Operational Risk Insurance Programme, in compliance with the requirements established by the regulations and to have access to the capital benefits provided for by the policy, which provides significant cover, transferring the risk of significant operational losses to the insurance market.

In addition, with respect to risks relating to real estate and infrastructure, with the aim of containing the impacts of phenomena such as catastrophic environmental events, situations of international crisis, and social protest events, the Group may activate its business continuity solutions.

Reporting

The operational risk reporting system is designed to fulfil regulatory reporting requirements and provide appropriate management information for the different recipients, used to analyse and understand the factors underlying the evolution of risk exposure or the main weaknesses of the entities assessed, or as support in determining mitigation measures and intervention priorities.

The reports and contributions produced within the ORM system are divided into management and operational categories, based on the recipients concerned. Specifically, the management reports, generally produced by ORMC, are aimed at the Parent Company's Corporate Bodies or the Group Control Coordination and Non-Financial Risks Committee, while the operational reports, generally produced by the ORMDs, are aimed at the Parties Responsible for the Self-Diagnosis or in any case the individual Organisational Units.

Specifically, with regard to communication and reporting, the ORMC function performs the following tasks, on the basis of the data available to it:

– provides inputs and contributions to other structures in the Chief Risk Officer Governance Area or to other competent company functions in accordance with the criteria established by them. For example, ORMC collaborates in the preparation of the Tableau de Bord of Group Risks, CRO Forum, Consob Report, ICAAP Report, Report on and planning of the activities of the Chief Risk Officer Governance Area, and Notes to the financial statements on risk management and related hedging policies and Pillar 3;
– prepares periodic documentation for the Group Control Coordination and Non-Financial Risks Committee – Operational Risk session;
– in the event of a breach of the hard limits, soft limits or early warning thresholds set in the Risk Appetite Framework for non-financial risks, informs the Corporate Bodies according to the frequency set in the related Guidelines;
– in compliance with current regulations, produces the relevant reporting flows at consolidated and individual level (for the Parent Company and for the service companies);
– exchanges information flows with the DIPO – Italian Operational Losses Database and ORX – Operational Risk data eXchange Association (which the Group participates in together with other European financial institutions) consortia, according to the rules and standards established by them;
– for the Parent Company, ORMC prepares the Tableau de Bord of critical issues of the Parent Company's Chief Risk Officer on a half-yearly basis and collaborates on the Integrated Tableau de Bord of the Corporate Control Functions and the Manager responsible for preparing the Company's financial reports (in accordance with the Integrated Internal Control System Regulation and the related Rules);
– provides appropriate and timely notification to the corporate bodies in the event of significant issues/events that may result, or potentially result, in significant economic, reputational or compliance impacts, as provided for in the Integrated Internal Control System Regulation.

SELF-DIAGNOSIS

Self-diagnosis is the annual process through which the Organisational Units identify their level of exposure to operational, ICT and security risk. It includes the Operational Risk Assessment and the ICT & Security Risk Assessment, in turn consisting of:

– Risk & Control Self-Assessment (RCSA – Operational risk and ICT & Security risk), which enables the identification and self-assessment of inherent and residual exposure to operational and ICT & Security risks present in processes managed by the organisational units of the Group Entities, also taking into account the effectiveness of the controls established to mitigate them.
– Information Security Control Evaluation (ISCE), which enables the identification and self-assessment of inherent and residual exposure to risk and the effectiveness of mitigation measures for the Group's ICT assets (including those outsourced to third parties, i.e., those identified in ICT service contract assessments, present in company inventories, and ICT services provided by third parties); it contributes to the RCSA by evaluating the controls of the assets supporting the processes assessed.
– Scenario analysis (SA): a method of prospective analysis that takes the form of a systematic process, which is typically repeated at predefined intervals, but which may also be conducted on an ad hoc basis, and which consists in imagining the occurrence of particular situations (or scenarios) and imagining their consequences. Once scenarios have been identified and appropriately characterised, they must be assessed: i.e., one must determine the probability of occurrence (frequency) and potential impact (average impact and worse case) in the event of occurrence of the situation described in the scenario.

The 2025 Self-Diagnosis identified a *High* level of control over operational, ICT and security risk and a *Low* residual risk, at Group level[381].

Calculation method for the regulatory capital requirement for operational risks

From January 2025, the new CRR3/Basel 4 regulatory framework changed the methodology for calculating the prudential capital requirement, eliminating the possibility of using internal models and introducing a new, single standardised calculation method, referred to as the Standardised Approach (SA).

Under the new rules, inspired by more prudent criteria and aimed at ensuring greater uniformity among European financial institutions, the capital requirement is determined in line with the size of business activities (Business Indicator – BI), primarily using FINREP items (averaged over the previous three years), weighted with regulatory coefficients by band. The methodology also requires the inclusion of the duly reconciled accounting impact of the operational losses over the three-year period. The new regulatory framework therefore confirms the regulatory importance of high-quality operational loss data collection and related accounting reconciliation, in addition to the requirement for an effective, properly structured overall operational risk governance framework, supported by suitable infrastructure and verified by an independent function.

For the first Supervisory reporting under the new rules, carried out in March 2025, the average of the FINREP items for the period 2022-2024 was used. The regulations require the reporting to be repeated quarterly, while the calculation of the requirement generally only needs to be updated annually, as at 31 December each year, unless there have been significant changes in the scope of consolidation during the period.

Internal model for the measurement of operational risk

From January 2025, following the entry into force of Basel 4, the AMA internal model (used until 31 December 2024 to calculate the regulatory capital requirement) is only being used for management purposes to monitor “Pillar 2” risks, and therefore contributes to the determination of capital adequacy in the ICAAP.
The Intesa Sanpaolo Group’s internal model for calculating capital absorption is designed to combine all the main sources of quantitative information (operational losses: internal and external events, estimates deriving from the Self-Diagnosis by the Organisational Units).
Economic capital is therefore identified as the minimum amount at Group level required to bear the maximum potential loss (worst case). It is estimated using a Loss Distribution Approach model (actuarial statistical model to calculate the Value-at-risk of operational losses), applied to historical data and the results of the scenario analysis assuming a one-year estimation period, with a confidence level of 99.9%.

[381] These assessments are expressed on a 6-level scale, in line with the Group Integrated Internal Control System (low, medium-low, medium, medium-high, high, and very high).

QUANTITATIVE INFORMATION

Based on the Standardised Approach (SA) described above, as at 31 December 2025 the consolidated prudential requirement for operational risk amounted to 4,292 million euro, around 72% higher than the figure of 2,488 million euro as at 31 December 2024, calculated using the AMA, TSA and BIA approaches.

Further quantitative information concerning operational risks, with particular regard to operational losses and in accordance with the regulatory requirements, is provided in the specific section of the "Pillar 3 Disclosure" at the reporting date.

LEGAL RISKS

As at 31 December 2025, there were a total of around 10,300 non-tax related disputes – excluding those involving Risanamento S.p.A., which is not subject to management and coordination by Intesa Sanpaolo – pending at Group level (in addition to around 11,500 "mass" disputes at the international subsidiary banks, with a limited aggregate claim amount), with a claim amount[382] of around 2,600 million euro. This amount includes all disputes for which the risk of a disbursement of financial resources resulting from a potential negative outcome has been deemed possible or likely and therefore does not include disputes for which risk has been deemed remote.
The risks associated with these disputes are thoroughly and individually analysed by the Parent Company and Group companies. Specific and appropriate provisions have been made to the Allowances for Risks and Charges in the event of disputes for which there is an estimated probability of a disbursement of more than 50% and where the amount of the disbursement may be reliably estimated (disputes with likely risk). Without prejudice to the uncertainty inherent in all litigation, the estimate of the obligations that could arise from the disputes and hence the amount of any provisions recognised are based on the forward-looking assessments of the outcome of the trial. These forward-looking assessments are, in any event, prepared on the basis of all information available at the time of the estimate.
The disputes with likely risk numbered around 6,200 (in addition to around 11,500 cases relating to the above-mentioned "mass" disputes) with a total claim amount of 1,572 million euro and provisions of 550 million euro. Compared to last year, there was a decrease in the number of disputes, which mainly concerned disputes relating to mass credit positions relating to the subsidiary Banca Intesa Beograd, details of which are provided in a specific section. The component referring to the Parent Company Intesa Sanpaolo totals around 3,800[383] disputes, with a claim of 1,214 million euro and provisions of 375 million euro. These include around 1,900 positions relating to disputes concerning compound interest, illustrated in greater detail below.
There were around 600 disputes relating to other Italian subsidiaries, with a claim amount of 234 million euro and provisions of 73 million euro. Those relating to the international subsidiaries numbered around 1,800, in addition to around 11,500 cases relating to the above-mentioned "mass" disputes, with a total claim amount of 124 million euro and provisions of 102 million euro.
The breakdown according to the main categories of disputes with likely risk shows the prevalence of cases related to the Group's ordinary banking and credit activities, involving claims relating to banking and investment products and services or on credit positions and clawback actions, which account for around 70% of the claim amount and the related provisions. The remaining disputes mainly consist of other civil and administrative proceedings and labour disputes or criminal proceedings or proceedings related to operational violations.

The assessment of the risk is carried out individually, taking into account the claims made, the defences submitted, the progress of the proceedings and the case-law guidance, for each dispute.
The paragraphs below provide summary information on the significant disputes (mainly those with a claim of more than 20 million euro and where the risk of a disbursement is currently considered likely or possible), together with the cases considered significant.

Disputes relating to compound interest and other current account and credit facility conditions, as well as usury

This type of disputes has for years made up a significant portion of the civil litigation brought against the Italian banking system. In 2025, for the Italian Group Companies the disputes, including mediations, with possible or likely risk numbered around 2,500 with a total claim amount of 500 million euro (of which around 1,900 with likely risk with a total claim amount of 349 million euro and provisions of 126 million euro), with a gradual reduction compared to the previous year both in number and in total value.
You are reminded that in 2014 and 2016, Article 120 of the Consolidated Law on Banking, which governs the compounding of interest in banking transactions, was amended with the establishment of the ban on compound interest and the delegation of the ICRC (Interdepartmental Committee for Credit and Savings) to regulate this matter.

Disputes relating to investment services

There were a total of around 740 disputes with possible or likely risk relating to investment services with a total claim amount of 320 million euro. The positions considered at likely risk numbered 500 for a total claim amount of around 240 million euro, with provisions of 66 million euro, and the most significant subgroup was disputes concerning derivatives. We also note 19 disputes with a claim of approximately 82 million euro initiated by "wiped out" shareholders and subordinated bondholders of the former "Old Banks" of Banca delle Marche, Banca Popolare dell'Etruria e del Lazio and Cassa di Risparmio della Provincia di Chieti, deemed to be of remote risk. Those disputes are backed by the warranties and obligations to indemnify by the Seller (National Resolution Fund) for the benefit of the former UBI Banca, and now Intesa Sanpaolo, and therefore also cover any liabilities arising from the activities carried out by the Banks (the "Old Banks") before they were subject to the resolution procedure, in relation to, *inter alia*, risks of a legal nature or generally related to ongoing or threatened disputes, or violations of the law and any potential liabilities.

[382] The figures for the claim amount do not include claims of indeterminate value, i.e. those that do not contain a specific financial claim when the dispute is initiated; the value of these disputes is determined during the course of the proceedings when sufficient information emerges for the valuation.
[383] These include disputes arising from the acquisition of certain assets, liabilities and legal relationships of Banca Popolare di Vicenza S.p.A. in compulsory administrative liquidation and Veneto Banca S.p.A. in compulsory administrative liquidation, so-called Excluded Disputes covered by public guarantee ("Indemnification Guarantee").

Dispute regarding financial derivative instruments

With regard to derivative transactions, the legal risks linked to legal proceedings with local authorities, their subsidiaries and individuals continue to be subject to careful monitoring. Specifically, 9 disputes are pending with local authorities, with possible or likely risk, for total claims of 25 million euro, and 2 disputes with subsidiaries of public entities, with total claims of 14 million euro. Disputes with individuals, assessed as having possible or likely risk, total 119, and of these, 36 positions also regard requests for refunds of amounts on other accounts held with the Bank. Net of those latter positions, the total value of the claims lodged in the proceedings regarding only derivatives amounts to 70 million euro.

A summary of the developments in the dispute concerning the Municipality of Turin is provided below:

In July 2024, the Municipality of Turin filed a civil action before the Court of Turin to challenge the derivative contract entered into in 2007 (2007 swap) governed by an ISDA agreement of 2004, subject to English jurisdiction and law. The contract was signed to renegotiate previous transactions carried out in 2003 and 2006, as part of the Entity's debt restructuring, an initiative in which other banks have also participated over the years.

The Municipality has made two claims:

- as the main claim demand, for compensation for damages due to contractual breach related to an advisory agreement for the management of the Entity's debt of December 2003 and for pre-contractual liability concerning the preliminary phase leading to the signing of the derivatives agreements;
- in the alternative, demand the nullity of the 2007 swap, on the one hand, due to the lack of indication in the MtM contracts of its calculation formula and the probability scenarios and, on the other, due to the failure to comply with the requirements established by the specific applicable regulations regarding the use of these financial instruments by Public Entities.

In July 2025, the dispute was concluded through a settlement agreement.

Disputes regarding Euribor Manipulation

By two decisions, in 2013 and 2016, the European Commission Antitrust established the existence of a cartel between a number of European banking groups (Barclays, Deutsche Bank, Société Générale, The Royal Bank of Scotland, Crédit Agricole, HSBC and JPMorgan Chase) in the period between 29 September 2005 and 30 May 2008 aimed at manipulating Euribor. In Italy, a dispute arose in which customers claim the nullity of the Euribor indexation clause included in the contracts, even where, as in the case of Intesa Sanpaolo, the lending bank did not participate in the cartel. To date, this phenomenon has had a limited impact in terms of volume; the lower courts have mainly ruled in the Banks' favour. In July 2024, in the context of a dispute brought against a credit intermediary, the matter was referred to the Joint Divisions to resolve the conflict that had emerged between the First and Third Divisions of the Court of Cassation on the perimeter of the contracts potentially affected by the cartel ("downstream contracts") and on the potential remedies available to customers to challenge their validity. In his conclusions in the proceedings before the Joint Divisions, the Public Prosecutor's office requested the rejection of the clients' claim, noting the absence of an objective connection between the cartel and the "downstream" mortgage loan contracts at issue in the dispute. In the first quarter of 2025, as part of a dispute brought against Intesa Sanpaolo on a securitised bad loan deriving from a mortgage loan contract, the Cagliari Court of Appeal made a reference for a preliminary ruling to the European Court of Justice (CJEU) to verify the possible impact of Euribor manipulations on "downstream" contracts concluded between banks and their clients. The questions put to the Court was:

- whether the evidence of manipulation established by the European Commission is binding on national courts;
- whether the anti-competitive cartel constitutes a prohibited agreement solely in the derivatives market (where it took place) or in any market which used the manipulated Euribor benchmark, such as the mortgage loan market.

In the light of the reference for a preliminary ruling made by the Court of Cagliari, the Joint Divisions of the Court of Cassation decided to handle the action as a new case.

As part of the proceedings before the CJEU, the Bank submitted its written observations during the first half of 2025. In the third quarter of 2025, the Registry of the CJEU notified the filing of the European Commission's observations, which noted that, in the context of European Union law, evidence of Euribor manipulation can only be considered established in respect of legal relationships arising within the markets covered by the decisions of 2013 and 2016 (derivatives – EIRD) and of the other parties. No European State submitted observations. In the fourth quarter of 2025, the Registry of the Court announced that the decision would be taken without the scheduling of a hearing, assigning the case to the Second Chamber. The Advocate General is required to submit their conclusions to the Court by March 2026.

Reference for a preliminary ruling to the Court of Cassation on the legitimacy of the fixed instalment repayment plan

On 29 May 2024 the Joint Divisions of the Court of Cassation (by ruling no. 15130) ruled on an important issue for banking operations: specifically, whether the failure to indicate in a fixed-rate mortgage loan agreement the fixed instalment repayment method (called French amortization method) and the compound capitalisation regime makes the purpose of the contract vague or impossible to determine. The Joint Divisions set out the following approach to interpretation, also applicable beyond the case submitted to their examination (as per the role as guarantor of the uniform interpretation of the law): "Regarding fixed-rate bank mortgages with repayment of the loan in instalments governed by a standardised, traditional repayment plan, the failure to indicate the repayment method and compound capitalization of debt interest regime cannot give rise to partial nullity of the contract, either due to vagueness of or the inability to determine the purpose of the contract, or due to breach of the regulations on transparency of contractual conditions and relations between credit institutions and their customers".

This ruling made it possible to significantly limit the risk of proliferation of disputes regarding objections to fixed instalment repayment methods.

The Court of Cassation issued a further ruling on the matter by Order no. 7382 of 19 March 2025 (and by order no. 8322 of 29 March 2025). It found that the principles upheld by the Joint Divisions in their judgment of May 2024 with regard to fixed-rate mortgage loans should also be extended to floating-rate mortgage loans having an annexed amortisation plan.

Disputes relating to CHF loans against the Croatian subsidiary Privredna Banka Zagreb Dd

As noted in the previous financial statements, following an action brought in the past by a local consumer protection association against the subsidiary Privredna Banka Zagreb ("PBZ") and other Croatian banks, the contractual clauses included in loan agreements denominated in, or indexed to, Swiss francs regarding interest rates and the denomination/indexation to the foreign currency, which had been used by the banks in the past, were declared invalid. The former because they allowed a unilateral

change in the interest rate and the latter because the banks allegedly failed to properly inform consumers of the potential risks before signing.
As a result of this, over the years, numerous individual proceedings have been brought by customers against PBZ, despite the fact that most of them voluntarily accepted the offer to convert their CHF loans into EUR denominated loans retroactively, in accordance with the Act on the Amendments to the Consumer Credit Act (Croatian Official Gazette 102/2015 – the "Conversion Law").
In March 2020, the Croatian Supreme Court, within model case proceedings (Supreme Court proceedings with obligatory effect on lower instance courts with the aim of unifying/harmonising case law), ruled that the conversion agreements concluded between banks and borrowers under the Conversion Law of 2015 produce legal effects and are valid even in the case when the provisions of the underlying loan agreements on variable interest rate and CHF currency clause are null and void.
In May 2022, the EU Court of Justice, in proceedings regarding reference for a preliminary ruling involving another intermediary, established that the Court of Justice has jurisdiction over the conversion agreements concluded under the Conversion Law, as they occurred after Croatia joined the European Union, and that the EU Directive on unfair terms in consumer contracts does not apply to those conversion agreements, whose content reproduces provisions of national law.
In December 2022, the Civil Law Department of the Croatian Supreme Court provided an interpretation of the legal effects of the agreements for the conversion of loan agreements from CHF to EUR and on consumers' rights, according to which consumers that entered into a conversion agreement pursuant to the aforementioned Conversion Law of 2015 have the right to receive legal interest on excess amounts paid that the Bank calculated on converting the loans, from the date of each single payment up to the date of conversion. This interpretation has not yet been recorded by the Court Practice Records Department and is therefore not binding at present. The limitation period for bringing individual proceedings on the invalidity of the currency clause expired in June 2023. In the subsequent years the number of new cases decreased significantly.
At the end of 2025, the total pending cases amounted to a few thousand. The evolution of case law, which is not uniform, is being continuously monitored.

Disputes against the foreign subsidiary Banca Intesa Beograd (Serbia)
1) Processing Fees
This line of legal disputes involved the entire Serbian banking system, regarding processing fees applied by banks at the time of disbursing loans. The claimants, individuals and legal persons, are requesting the repayment of those charges, as they are deemed as not owed. The first claims arose in 2017 and a significant increase in lawsuits was recorded in the following years, though for modest amounts on average. At the end of 2025, Banca Intesa Beograd had been summoned in around 9,000 lawsuits deemed as having a likely risk (at the end of 2024, these amounted to around 11,000); the related total amounts of principal requested to be repaid by the Bank came to around 0.6 million euro. In September 2021, the Supreme Court of Serbia recognised the legitimacy of the costs and fees applied to loans at the time of their disbursement, provided they are indicated in the contract proposal. In 2025, there was a further significant reduction in the flows of new disputes. Most of the lawsuits closed during the year were either won by the Bank or abandoned by the plaintiffs.
2) NKOSK
Legal dispute relating to real estate loans insured through the National Housing Loan Insurance Corporation (NKOSK), whose premium is paid by the borrowers. The borrowers deem that, as the Bank is the Beneficiary of the insurance, the premium should be paid by the Bank.
Over time, there has been a significant decrease in these cases. At the end of 2023, the number of pending cases amounted to 1,155, which fell to around 1,000 at the end of 2024, and had decreased even further at the end of 2025 to around 800 lawsuits considered at possible or likely risk; the related total amounts of principal requested to be repaid by the Bank came to around 0.8 million euro. In September 2021, the Supreme Court of Serbia recognised the legitimacy of requiring the insurance premium to be paid by the borrowers, provided that the obligation is clearly described to the borrowers during precontractual procedures. Most of the disputes closed last year were either won by the Bank or abandoned by the plaintiffs.
During 2026, the situation will continue to be closely monitored, also to assess its significance for periodic disclosure purposes.

Transfer of business units to Isybank – Proceedings of the Italian Personal Data Protection Authority
By order of 3 January 2025, the Italian Personal Data Protection Authority - after having carried out a preliminary investigation in the context of which it had made a number of requests for information to the Bank, which were duly fulfilled - informed Intesa Sanpaolo that its conduct in the context of the transfer of the business lines to Isybank was in breach of certain provisions of the General Data Protection Regulation (GDPR), with regard to the identification of the legal basis for the processing of data aimed at identifying the "mainly digital" customers included in the branches being contributed and to the information provided to such customers.
With the same measure, the Authority announced the start of a procedure for the adoption of corrective measures and - if deemed applicable - the administrative penalties provided for by the GDPR.
On 3 March 2025, the Bank filed its defence submissions with the Data Protection Authority.

Unauthorised access to personal data - current judicial and administrative proceedings
In July 2024, the Bank notified the Italian Personal Data Protection Authority of certain accesses to customer data by an employee apparently not justified by service reasons and detected by the Bank's alert systems.
As a result of the investigations carried out, the employee was first suspended from duty and then dismissed for cause. The Bank also lodged a complaint with the Public Prosecutor's Office at the Court of Bari against the former employee for unauthorised access to a computer system. In the criminal proceedings against the former employee, the Bank, in addition to being the plaintiff and injured party, is under investigation as an entity pursuant to Legislative Decree no. 231/2001, even though, as things stand, the acts attributed to the former employee appear to have been committed to the detriment of the Bank and not to its benefit. The Bank received a number of requests for information and documents from the Public Prosecutor's Office, to which it responded providing full cooperation.
The Bank notified the customers whose data was accessed by the former employee of the data breach where such access could not be attributed with certainty to service needs, as required by the Italian Personal Data Protection Authority by measure of 2 November 2024.

By order of 27 May 2025, the Authority, having concluded the investigation phase, notified the Bank of the breaches of personal data protection regulations that it considers to have been committed in connection with the matter, and further communicated the initiation of proceedings for the adoption of corrective measures and, if deemed applicable, of the penalties under those regulations. In its order, the Authority also acknowledged that the Bank duly complied with the requirements set out in the order of 2 November 2024. The Bank submitted its defence brief on 10 July 2025. The decision of the Authority is being awaited.

Italian Antitrust Authority (AGCM) proceedings against Intesa Sanpaolo RBM Salute (ISP RBM) – now Intesa Sanpaolo Protezione.

In November 2020, the AGCM had initiated proceedings against ISP RBM for unfair business practices, which concluded in July 2021 with a fine of 5 million euro and a warning to cease the unfair practice. ISP RBM appealed the AGCM's decision before the Lazio Regional Administrative Court, which, in November 2022, after having considered the complaint made regarding the lateness of the Authority's intervention to be valid, upheld the appeal and annulled the penalty measure in full. The AGCM appealed the judgement of the Regional Administrative Court before the Council of State, which suspended the judgement in January 2024, pending the ruling of the Court of Justice of the European Union on a number of preliminary questions relevant to the judgement. Following the Lazio Regional Administrative Court's judgement, the Italian Antitrust Authority issued an order of "no grounds for further action" in the non-compliance proceedings, which it had initiated on the grounds that ISP RBM was not complying with the warning contained in the penalty measure. However, the Authority has reserved the right to defer any decisions until the outcome of the proceedings before the Council of State.

In its judgments of 30 January 2025, the Court of Justice of the European Union issued its preliminary ruling, where it held that the peremptory 90-day time limit, under Law no. 689/1981, by which the Authority must notify the company concerned of the proceedings against it, is incompatible with EU consumer law. The breach of said time limit was one of the grounds for the Lazio Regional Administrative Court's decision to annul the AGCM's measure. Following the resumption of the proceedings at the request of the AGCM, by order dated 21 October 2025, the Council of State again suspended the proceedings pending the ruling of the Court of Justice of the European Union on two additional preliminary questions raised within other cases, both relating to the 90-day time limit established by Law no. 689/1981. After the Court of Justice's decision on one of the two preliminary questions, and following the AGCM's request to resume the proceedings, the Council of State scheduled a new public hearing to discuss the merits on 15 October 2026.

In May 2023, the AGCM initiated new proceedings against ISP RBM for alleged unfair business practices, purported to have been adopted from January 2023, aimed at hindering the exercise of consumers' rights arising from the contractual relationship, leading them to give up financial and welfare benefits provided by the insurance coverage held by them. In its communication dated 15 February 2024, the Authority issued its conclusions on the preliminary findings, based on which it upheld the claims made in the decision to initiate proceedings and also considered that the unfair business practice was still ongoing.

ISP RBM submitted a defence brief, in which it highlighted, among other things, the strategic and operational measures it had already taken prior to the commencement of the proceedings and the further improvements these measures had brought to the service levels provided to the policyholders.

With order dated 20 May 2024, the AGCM ruled that ISP RBM's conduct constituted an ongoing unfair business practice, prohibiting its dissemination or continuation, and imposing an administrative fine of 2.5 million euro.

On 19 July 2024, ISP RBM submitted an appeal to the Lazio Regional Administrative Court, requesting the annulment of the administrative fine.

On 2 August 2024, ISP RBM submitted the plan to the AGCM for complying with the ban on continuing the prohibited conduct.

On 22 October 2024, the Authority informed ISP RBM that it had acknowledged the documentation submitted regarding the measures adopted as compliance. The proceedings before the Lazio Regional Administrative Court are still ongoing and there were no procedural developments during 2025.

Auditors Italiana S.r.l. in compulsory administrative liquidation

In October 2023, Auditors Italiana S.r.l. in compulsory administrative liquidation brought a compensation claim against Intesa Sanpaolo (as the absorbing company of UBI Banca, which had previously acquired Nuova Banca dell'Etruria e del Lazio[384]) before the Court of Rome for alleged damages of over 32 million euro. According to the reconstruction by the plaintiff, those damages arose from wrongdoings committed by the former Banca Popolare dell'Etruria e del Lazio in relation to a current account in its name, which facilitated the diversion of sums to the detriment of the trustees and of the company, leading to its financial distress and consequent compulsory administrative liquidation.

In its defence statement, the Bank raised the preliminary objections, among other things, of its lack of standing to be sued and the expiry of the limitation period, in addition to submitting a series of defence arguments on the merits. Following the filing of the court-appointed expert's report in 2025, a hearing was set in March 2026 for the submission for decision.

Disputes arising from the acquisition of certain assets, liabilities and legal relationships of Banca Popolare di Vicenza S.p.A. in compulsory administrative liquidation and Veneto Banca S.p.A. in compulsory administrative liquidation

By orders issued between June and August 2025, the First Division of the Court of Cassation, upholding the Bank's arguments, ruled favourably in the disputes concerning cases pending as at the date of the transfer (26 June 2017) and involving relationships terminated at that date and non-performing loans, ruling that those disputes come under the "Excluded Disputes", for which Intesa Sanpaolo bears no liability and lacks capacity to be sued.

During the same period, through a further three orders, the Court of Cassation confirmed that the Bank bears no liability and lacks capacity to be sued with regard to disputes concerning the mis-selling of shares/subordinated bonds carried out by the two Veneto Parent Banks.

However, the First Division of the Court of Cassation ruled unfavourably in two cases concerning so-called "linked transactions" brought against Intesa Sanpaolo seeking a declaration of non-existence of the credit transferred to the Bank and relating to the

[384] Note that this dispute is backed by the warranties and obligations to indemnify by the Seller (National Resolution Fund) for the benefit of the former UBI Banca in relation to the acquisition of the New Banks deriving from the resolution of Banca delle Marche, Banca Popolare dell'Etruria e del Lazio and Cassa di Risparmio della Provincia di Chieti and therefore also cover any liabilities arising from the activities carried out by the Banks (the "Old Banks") before they were subject to the resolution procedure, in relation to, *inter alia*, risks of a legal nature or generally related to ongoing or threatened disputes, or violations of the law and any potential liabilities.

loan "used" to subscribe/purchase shares of the Veneto Banks. The Court adopted an exclusively literal and partial interpretation of certain provisions of Decree Law no. 99/2017, failing to consider the wider legislative and contractual framework, including EU law.
Intesa Sanpaolo will continue to assert its lack of capacity to be sued in these disputes, also highlighting the conflict with European Union law (in particular the BRRD directive) and the European Union decisions authorising the operation involving the Veneto banks.

Deiulemar
The Bankruptcy Trustees of Deiulemar Compagnia di Navigazione S.p.A. separately brought proceedings before the Court of Torre Annunziata in 2017 against several banks, including the former Banco di Napoli and the former Banca Intesa (whose proceedings were subsequently consolidated) and UBI Banca. The claims seek to establish alleged liability attributable to failure to comply with anti-money laundering regulations and the principles of professional diligence in the unlawful so-called "irregular bearer bond" transaction.
The sole Director of Deiulemar issued bonds, drawn on personal current accounts held with the banks, that were not approved by the company and therefore not recorded in the financial statements, raising funds from private individuals. According to the counterparty, the banks, in allowing these operations, caused damage to Deiulemar, quantified – with regard to the former Banco di Napoli and the former Banca Intesa – at a total of 36.8 million euro plus interest. The court-appointed technical expert assessment is currently underway in these proceedings.
In the last quarter of 2025, the Court of Torre Annunziata unexpectedly upheld the claims of the Deiulemar Bankruptcy and ruled on two proceedings brought against another bank and Intesa Sanpaolo as successor of UBI Banca concerning relationships transferred to another intermediary before the merger into Intesa Sanpaolo. Despite having applied to be removed from the proceedings and being of the opinion, based on the agreements with the transferee, that it should be indemnified against any charges arising from such a ruling, Intesa Sanpaolo has, on a precautionary basis, lodged an appeal against the ruling before the Court of Appeal of Naples.

Società Italiana per le Condotte d'Acqua S.p.A. under Extraordinary Administration
By claim form and particulars of claim of 23 December 2022, Società Italiana per le Condotte d'Acqua S.p.A. (admitted to the "Marzano" procedure by way of Italian Ministerial Decree of 6 August 2018) asked the Court of Rome to order compensation for damages in the amount of 389.3 million euro (or a different amount that will arise during the proceedings), in addition to monetary revaluation, legal interest and expenses.
The claim has been filed, jointly, against Intesa Sanpaolo (also as the merging company of Mediocredito Italiano, Banca IMI and UBI Banca, as well as "the purchaser of" Veneto Banca and Banca Popolare di Vicenza), the members of the Management Board and the Supervisory Board of Condotte and numerous other banks and factoring companies.
The claim is based on the alleged conduct engaged in for various reasons by the defendants, considered a source of harm to the company's assets and its creditors. Specifically, the banks and factoring companies are allegedly liable for having unlawfully granted to and/or maintained credit for Condotte, thereby contributing to the continuation of its business at a loss and the worsening of its default. The court case, which was interrupted at the first hearing due to the death of the counsel for one of the defendants, was resumed by the Proceedings.
The Company has also promoted against Intesa Sanpaolo three bankruptcy revocatory actions before the Court of Rome, with a request to reimburse amounts of around 16 million euro, which were settled through favourable settlement agreements between 2024 and 2025.

Azzurro 2000 S.a.s. di Tilli Renzo & C.
In 2004, the company Azzurro 2000 brought a compensation claim before the Court of Santa Maria Capua Vetere (Caserta Divisional Section) against the former Sanpaolo Banco di Napoli for alleged unlawful reporting to the Central Credit Register, quantifying the claim at around 50 million euro. The plaintiff's claim was rejected at both first and second instance.
Against the appeal ruling, the plaintiff filed (i) an appeal before the Court of Cassation and (ii) a revocation proceeding before the same Court of Appeal. The latter declared the request for revocation inadmissible and the plaintiff filed a further appeal before the Court of Cassation against this second ruling of the Court of Appeal. The Supreme Court combined the two cases and upheld the first appeal, basing solely on one of the grounds of appeal, overturning the decision and referring the case back to the Naples Court of Appeal, and declared the request for revocation inadmissible. The counterparty has resumed the proceedings. In a ruling issued in January 2026, the Naples Court of Appeal fully rejected the compensation claim lodged by Azzurro 2000 S.a.s., finding that there was no evidence of the alleged damage resulting from the reporting to the Central Credit Register, and jointly ordered all the plaintiffs to pay the costs of all levels of proceedings.

Azienda Agricola Turelli S.S. Soc. Agricola
In 2017, as part of an objection to an order to pay obtained by Intesa Sanpaolo to recover its credit, Azienda Agricola Turelli S.S. and its members Attilio and Laura Turelli filed a counterclaim for compensation for damages quantified at a total of around 20 million euro, for alleged breach of the obligations of good faith and contractual fairness.
In August 2023, the Court of Brescia rejected the objection and the claim for compensation for damages, ordering the opponents to pay the legal fees to Intesa Sanpaolo. In the meantime, the credit covered by the order to pay was subject to two subsequent assignments. In February 2024 the opponents lodged an appeal against the first instance ruling. At the end of 2025, Azienda Agricola Turelli and Laura Turelli filed a request for interruption of the proceedings in light of the death of one of the parties. At present, the Court of Appeal has not yet issued any measure in this regard.

Armonia SPV S.r.l
At the end of May 2024, Armonia SPV S.r.l. issued a formal notice claiming damages of around 98 million euro, plus arrears interest, additional damages and costs, alleging the non-existence of certain receivables purchased from UBI Factor (now Intesa Sanpaolo), which were subject to legal proceedings at the time of the 2019 sale.
In 2024, the Bank responded to the notice by sending a communication rejecting the claims in full, and to date, no responses have been received.

SIM Bankruptcy

By claim form and particulars of claim served in October 2022, the receiver to SIM S.p.A. summoned Intesa Sanpaolo (along with other 7 banks) before the Court of Catania, with the first hearing scheduled for 31 March 2023. This is a compensation claim brought for damages allegedly suffered by the company and its creditors due to conduct by the banks defined by the adverse party as "unlawful", which allegedly resulted in the unlawful granting of credit. The claim for damages has been quantified at around 47 million euro, requesting that the defendant banks be jointly ruled against.
The Bank argued in Court lack of legal standing of the receiver and expiry of the limitation period, among other things, in addition to contesting the factual and legal grounds of the adverse party's claims, with a series of defence arguments on the merits. The President of the Court did not consider that the conditions had been met for the joinder of the action with another action brought by the receiver pursuant to Article 146 of the Bankruptcy Law against the directors of the bankrupt company SIM S.p.A. Following the preliminary hearing in February 2026, the judge took the case under advisement.

Litigation against Fideuram concerning investment transactions

In October 2022, Fideuram - Intesa Sanpaolo Private Banking S.p.A. was summoned before the Court of Naples with a request for: (i) a declaration of the alleged invalidity of the current account and investment services master agreement entered into by the plaintiff with Fideuram, the consequent invalidity of all the investment transactions carried out and the alleged contractual and non-contractual liability of the Bank, and, as a result, (ii) an order for the Bank to pay compensation for the alleged damages suffered totalling around 29 million euro. The Bank duly filed an appearance, contesting the factual and legal validity and admissibility of the claims made and confirming the correctness and compliance of its actions with the applicable regulations, also in terms of profiling and customer information. The case is still awaiting judgement.

Iter Capital Partners S.r.l.

In November 2024, Iter Capital Partners S.r.l. and its Professionals sued before the Court of Milan Eurizon Capital SGR (hereinafter, also SGR) and Eurizon Capital Real Asset SGR (hereinafter, ECRA) with regard to an advisory agreement pursuant to which the plaintiffs had undertaken to carry out activities relating to the management of two investment funds by SGR. The plaintiffs brought the action against the two companies having regard to the different roles played by each in the management of the investment funds: (i) Eurizon Capital SGR S.p.A., as the company that had set up the funds and as Iter's contractual counterparty, and (ii) ECRA, as the entity delegated by Eurizon Capital SGR S.p.A. to manage the funds.
Specifically, the plaintiffs asked the court to (i) determine that the termination of the advisory agreement by SGR in July 2024 with effect from 1 November 2024 was unlawful, (ii) find and declare the agreement terminated due to serious breach of contract by SGR, and (iii) order SGR and ECRA jointly and severally to pay compensation for all the damages allegedly suffered by the plaintiffs for a total of 88.8 million euro, plus interest and costs.
SGR and ECRA rejected all the plaintiffs' arguments, including their calculation of damages, and asked the court to reject all the plaintiffs' claims, on grounds considered valid in fact and in law in support of the termination of the agreements by SGR. The latter also filed a counterclaim asking the court to find and declare that it had acted lawfully in terminating the agreement and exercising the consequent rights under the agreement. After a lengthy adjournment ordered by the court, at the first hearing held in January 2026 the court invited the parties to settle the dispute by proposing a settlement arrangement providing for payment by SGR and ECRA of an amount corresponding to the total costs incurred in both levels of proceedings.
Iter Capital Partners S.r.l. and its Professionals did not consider it appropriate to accept the settlement proposal put forward by SGR and ECRA. The court then reserved the right to issue a decision concerning the continuation of the proceedings.

Reyl & Cie (Switzerland) – Proceedings pursuant to Legislative Decree 231/2001 of the Public Prosecutor's Office of the Court of Milan

The Public Prosecutor's Office of Milan initiated criminal proceedings pursuant to Legislative Decree 231/2001 against Reyl & Cie (a Swiss subsidiary of Fideuram – Intesa Sanpaolo Private Banking) for the predicate offence of money laundering, allegedly committed by one of its former employees (dismissed in 2020), and ordered the seizure of securities owned by Reyl for around 1.1 million euro. The proceedings also involve the Swiss bank Cramer & Cie. Neither Fideuram ISPB nor ISP were involved in the proceedings. The circumstances alleged relate to events that took place in 2018, before Reyl & Cie joined the Intesa Sanpaolo Group in May 2021. According to the prosecution, the former employee, together with his brother, an employee of the bank Cramer & Cie, and an external advisor, allegedly engaged in practices aimed at facilitating tax evasion by Italian customers through the transfer of accounts from Switzerland to branches located in the Bahamas, in order to allow those customers to withdraw money from those accounts without the possibility of being traced by the Italian authorities.
Within the criminal proceedings pursuant to Legislative Decree 231/01 pending before the Court of Milan for alleged money laundering offences, in February 2024 Reyl & Cie was notified of the indictment of the former employee and his brother, as well as Cramer & Cie and Reyl & Cie. The preliminary hearing was consequently set by the preliminary investigation judge (GIP) for 3 July 2024. On conclusion of discussion between Reyl's defence counsel and the Public Prosecutor at the hearing of 3 July 2024, with the view to avoiding a drawn out dispute, and without recognising any liability for the circumstances alleged, the bank filed a petition to apply a financial penalty (plea bargain), which was accepted by the Public Prosecutor.
By judgement of 13 March 2025, the preliminary investigation judge (GIP) of the Court of Milan, accepting the plea bargain request submitted by Reyl, imposed a fine of 267,000 euro and ordered the confiscation of 722,802.40 euro.
The Court of Milan authorised the release of the amounts seized from Reyl, and by order dated 25 November 2025 the Public Prosecutor of the Canton of Ticino ordered the lifting of the seizure of those amounts.

IMI/SIR

Following the final judgment in 2006 establishing the criminal liability of the corrupt judge Metta (and his accomplices Acampora, Pacifico, and Previti), the defendants were ordered to pay compensation for damages, with the determination of those damages referred to the civil courts. Intesa Sanpaolo then brought a case before the Court of Rome to obtain an order of compensation for damages from those responsible.
In its ruling of May 2015, the Court of Rome quantified the financial and non-financial damages for Intesa Sanpaolo and ordered Acampora and Metta – the latter also jointly liable with the Prime Minister's Office (pursuant to Law no. 117/1988 on the accountability of the judiciary) – to pay Intesa Sanpaolo 173 million euro net of tax, plus legal interest accruing from 1 February

2015 to the date of final payment, plus legal expenses. The amount ordered took account of the amounts received in the meantime by the Bank as part of the settlements with the Rovelli family and with the adverse parties Previti and Pacifico.
In July 2016, the Rome Court of Appeal stayed the enforcement of the judgment of first instance with respect to the amount in excess of 130 million euro, in addition to ancillary charges and expenses. As a result of this decision, in December 2016 the Office of the President of the Council of Ministers credited Intesa Sanpaolo with the sum of 131,173,551.58 euro (corresponding to the 130 million euro of the order, in addition to legal interest and reimbursement of expenses). To avoid dispute, only the exact amount of the order, without applying the gross-up, was demanded and collected. On 16 April 2020, the ruling of the Rome Court of Appeal was filed, which essentially upheld the Court's ruling, while reducing the sum of non-financial damages to 8 million euro (compared to 77 million euro that had been awarded by the court of first instance), and set the amount to be paid at 108 million euro (instead of 173 million euro), to be considered net of tax, plus legal interest and expenses.
In May 2021, the Bank filed an appeal with the Court of Cassation against the Rome Court of Appeal's ruling of 16 April 2020 on the following main grounds:

– the reduction to 8 million euro of the non-financial damages made by the Court of Appeal, compared to the 77 million euro recognised in the first instance ruling was arbitrary and devoid of any sound legal or logical reasoning;
– even accepting the reduction under the point above, the Court made a miscalculation when redetermining the amount of total damages. That aspect was already the subject of an application for material correction filed in 2020, rejected by the Court as it was deemed to be an issue that could be remedied through appeal.

By ruling no. 5682/2023, the Court of Cassation partially upheld the grounds of appeal filed by Acampora and the Prime Minister's Office, overturning the second instance ruling, in relation to the claims upheld, and referring the case back to the Rome Court of Appeal for the application of the principles of law set forth in the ruling. The outcome differs both from the rulings made at the previous instances and from the conclusions, consistent with them, filed in December 2022 by the General Prosecutor at the Court of Cassation.
The Court applied a rule of pre-emption according to which the action for revocation, aimed at obtaining the return of the sums unduly paid, should precede the exercise of the action for damages, in clear conflict with the principles set out in the criminal proceedings in 2006 according to which the independence and dissimilarity of the two actions (the action for damages and the action for extraordinary revocation) "rule out any interference between them and place each in its own sector, with the only limitation of not allowing the duplication of coinciding outcomes and, therefore, undue enrichment".
In addition, it introduced a further and unprecedented rule of a procedural nature according to which, without prejudice to the right to obtain lost earnings and non-pecuniary damage, in order to claim compensation from the perpetrators of the offence (i.e. Acampora, Metta and the Government liable for the latter by law) for the damage arising, the injured party, Intesa Sanpaolo, must prove that it had unsuccessfully enforced its claim against the party benefiting from the corrupt ruling.
On 19 May 2023, the Bank notified the other parties involved (Metta, the Prime Minister's Office and Acampora) of the application for resumption of proceedings, requesting:
i) as the main claim, on the merits, the award, in addition to the other damages, of the damage arising, subject to correction of the miscalculation made at the time by the Rome Court of Appeal, in consideration of the fact that the "prejudicial conditions" set out by the Court of Cassation had been met because the Bank had pursued the recovery, both in and out of court, of the sums paid to the beneficiary as a result of the revoked ruling. In the event that the main claim is not upheld, the Bank requested at least the award of the lost earnings and non-pecuniary damage;
ii) subordinately to the merits, a reference for a preliminary ruling to the Court of Justice of the European Union (CJEU) pursuant to Article 267 of the Treaty on the Functioning of the European Union (TFEU) for breach of the Treaty on European Union (TEU), highlighting the arbitrary limitation of the right to compensation provided for by the Special Law on damages caused by judges in the performance of their duties (Law 117/88) resulting from the application of the principles set out by the Court of Cassation in its 2023 ruling. The Prime Minister's Office and Giovanni Acampora filed an appearance in the review proceedings, responding to the arguments submitted by the Bank. The case was adjourned to September 2026 for the closing arguments.
At the end of 2023, the Bank brought proceedings before the Tax Court to demand the refund of 33.2 million euro of withholding, previously paid as tax for overdue interest on the compensation for damages recognised under the 1994 ruling to Mrs Battistella, as Nino Rovelli's heir. By measure of 24 April 2024, the First Instance Tax Court of Rome rejected the action brought by the Bank, which decided to appeal this judgment. Following the appeal by the Bank, the case is now pending before the Court of Appeal.

Labour litigation

In line with the situation as at 31 December 2024, as at 31 December 2025 there were no significant cases of labour litigation from either a qualitative or quantitative standpoint. In general, all labour litigation is covered by specific provisions adequate to meet any outlays.

GOVERNANCE OF TAX RISK

The topic of governance of tax risk is addressed in the Consolidated Sustainability Statement (Information on Governance, ESRS G1 Business Conduct) included in the Report on Operations of these Consolidated Financial Statements, which provides a description of the methods used for the management of the tax risk.

TAX LITIGATION

At Group level (considering the subsidiaries consolidated on a line-by-line basis), the total value of the claims for tax disputes (taxes, penalties and interest) was 138 million euro at the end of 2025, down by 17 million euro on 155 million euro in 2024.
The Group's tax litigation risks are covered by adequate provisions to the allowances for risks and charges of 55 million euro in 2025 (51 million euro in 2024).

The Parent Company had 386 pending litigation proceedings (429 as at 31 December 2024) for a total amount claimed (taxes, penalties and interest) of 77.7 million euro (107.9 million euro as at 31 December 2024), considering both administrative and judicial proceedings at various instances.
In relation to these disputes, the actual risks were quantified at 37.4 million euro as at 31 December 2025 (40.4 million euro as at 31 December 2024).
Compared to 31 December 2024, for the Parent Company, the main events that gave rise to significant changes in the amounts claimed (-30.2 million euro) include:

- an increase (around 4.9 million euro) attributable to:
  - 2.7 million euro for new disputes concerning municipal property tax (IMU) on both terminated and current lease contracts;
  - 0.6 million euro relating to new disputes concerning mortgage and land registry taxes;
  - 0.6 million euro for new disputes concerning registration tax, of which 0.4 million euro for registration tax on judicial documents;
  - 0.5 million euro concerning the long-standing claim by the Portuguese tax authority on the discontinued Sanpaolo IMI Bank International S.A. (based in Madeira). The increase in the claim amount was due to the accrual of interest at the rate established under Portuguese law on the principal amount of the tax claim (the alleged omitted withholding taxes);
  - 0.4 million euro for additional interest accrued on outstanding disputes;
  - 0.1 million euro for additional new residual cases;
- a decrease (around 35.1 million euro) attributable to:
  - 14.8 million euro due to the favourable conclusion of a dispute concerning the registration tax arising from the reclassification of a transfer of a business to Cariparma, followed by the transfer of the shareholding to Credit Agricole, as a sale of a business, of which 9.9 million euro for tax and the remainder for interest;
  - 6.5 million euro in relation to the Banco Sudameris Brasil - Direct taxes year 1995 case, due to the reduction of the claim amount (security deposit made in Brazilian real as required by the Brazilian regulations) as a result of the depreciation of the Brazilian real against the euro;
  - 5.5 million euro relating to the dispute concerning the former Leasint – VAT on reclassification of nautical lease contracts – years 2005 and 2006;
  - 4.8 million euro due to the closure of disputes regarding registration tax on: judicial documents (2.2 million euro); real estate sales (0.6 million euro); the reclassification into a business sale of a business contribution followed by the sale of the equity investment (0.2 million euro); higher business sale value (1.7 million euro); and declaration of deeds (0.1 million euro);
  - 2.9 million euro due to closures of disputes concerning IMU on both terminated and current lease contracts;
  - 0.5 million euro in relation to the inspection concerning the former UBI Management Company;
  - 0.1 million euro for the closing of additional cases with a low individual amount.

Again with respect to 31 December 2024, for the Parent Company, the main changes in the allowance for risks and charges including legal expenses (-3 million euro) were:

- an increase (around 7.6 million euro) attributable to:
  - 5.5 million euro relating to the Banco Sudameris Brasil – direct taxes for the year 1995 case, as a supplementary provision to fully cover the risk of an adverse outcome in respect of taxes, penalties and collection charges;
  - 0.6 million euro for new disputes concerning mortgage and land registry taxes;
  - 0.5 million euro to cover the increase in the claim amount relating to the dispute with the Portuguese tax authorities concerning the discontinued Sanpaolo IMI Bank International S.A. (based in Madeira);
  - 0.5 million euro for disputes concerning IMU on both terminated and current lease contracts;
  - 0.5 million euro for legal expenses and additional interest accrued on outstanding disputes;
- a decrease (around 10.6 million euro) attributable to:
  - uses (around 1.1 million euro) of which:
    - 0.6 million euro for closure of dispute concerning the former Leasint – VAT on reclassification of nautical lease contracts – years 2005 and 2006;
    - 0.4 million euro for payment of defence fees (legal expenses);
    - 0.1 million euro for closure of disputes concerning IMU on terminated lease contracts;
  - releases of provisions to the income statement (around 9.5 million euro) of which:
    - 5.0 million euro relating to the dispute concerning the former Leasint – VAT on reclassification of nautical lease contracts – years 2005 and 2006;
    - 2.4 million euro for closures of disputes concerning IMU on both terminated and current lease contracts;

- 1.7 million euro for closure of disputes concerning registration tax on higher value for business transfers;
- 0.2 million euro for closure of disputes regarding registration tax on reclassification into business sale of a business contribution followed by the sale of the equity investment;
- 0.1 million euro for closure of disputes regarding registration tax on real estate sales;
- 0.1 million euro for defence fees not due.

At the other Italian Group Companies, tax disputes totalled 38.2 million euro as at 31 December 2025 (38.7 million euro as at 31 December 2024), covered by specific provisions amounting to 12.3 million euro (5.3 million euro as at 31 December 2024). The change in the claim amount compared to 31 December 2024, amounting to an overall decrease of 0.5 million euro (an increase of 9.3 million euro and a decrease of 9.8 million euro), was attributable to:

– +0.4 million euro for a new dispute involving Intesa Sanpaolo Protezione (as the absorbing company of Intesa Sanpaolo RBM Salute) for the year 2023, regarding the insurance tax on policies covering the risk of "loss of employment";
– +1.5 million euro for new claims against Intesa Sanpaolo Assicurazioni (as the absorbing company of Intesa Sanpaolo Life DAC) for the years 2019 to 2022 regarding tax monitoring obligations on life insurance policies;
– +7.4 million euro for new disputes involving Eurizon Capital SGR for the year 2019 (draft deeds) and prospective disputes for the years 2020 to 2025;
– -9.6 million euro for the Cargeas dispute regarding the insurance tax on insurance policies covering the "loss of employment" risk, closed through settlement agreements in 2025;
– -0.2 million euro for a tax assessment notice served on Intesa Sanpaolo Assicurazioni for withholding taxes (and related penalties and interest) for the year 2020 regarding the absorbed company Bancassurance Popolari (BAP), almost entirely subject to cancellation.

The change in the provision with respect to 31 December 2024, with an overall increase of 7 million euro, refers to:

– +0.1 million euro for the claim against Intesa Sanpaolo Assicurazioni (as the absorbing company of Intesa Sanpaolo Life DAC) for the year 2018 regarding tax monitoring obligations on life insurance policies;
– +0.2 million euro for the dispute concerning the failure to withhold 27% of the interest accrued in 2014 and 2015 on foreign bank accounts held at Fideuram Bank (Luxembourg) by two "historical" Luxembourg mutual funds;
– +6.7 million euro for new claims against Eurizon Capital for the year 2019 (draft notices) and prospective claims for the years from 2020 to 2025.

The tax disputes as at 31 December 2025 for the international companies amounted to a total claim amount of 22.1 million euro (8.3 million euro as at 31 December 2024), covered by provisions of 6.5 million euro (5.9 million euro as at 31 December 2024). The increase in the claim amount (13.8 million euro) was mainly attributable (12.8 million euro) to a dispute concerning First Bank (formerly Piraeus Bank Romania), merged into Intesa Sanpaolo Bank Romania in 2025; see below for details.
The provision remained substantially stable (up by 0.6 million euro).

Information is provided below on the most significant disputes currently pending or closed during the year, as well as other significant administrative measures served or issued during the year.

Parent Company

Banco Sudameris Brasil - Direct taxes year 1995 (PDD1 dispute)

With regard to the dispute with the Brazilian tax authorities (value of around 35 million euro), concerning taxes on income and social security contributions for the year 1995 for the company Banco Sudameris Brasil (now Banco Santander Brasil) – better known as the "PDD1 dispute" – the proceedings are pending in second instance. The proceedings were adjourned several times.

As disclosed in the notes to previous financial statements, the dispute originated from the deduction of write-downs of bad loans by the former subsidiary Banco Sudameris Brasil (now Banco Santander Brasil – hereinafter also referred to as "the company" or "the Brazilian bank") in its 1995 tax return. Specifically, the matter concerns the right to deduct the "PDD" write-downs (Bad Debt Provisions) for IRPJ (Corporate Income Tax) and CSLL (Social Contribution on Net Income) tax purposes, in accordance with the tax rules introduced in 1990, rather than under the more onerous rules in force from 1995 onwards.

The tax assessment notice served by the Brazilian tax authorities in 1997 was appealed (upon payment of a judicial deposit of BRL 74 million) and gave rise to the first administrative proceedings concerning the deductibility of the write-downs. While the proceedings were ongoing, and in order to resolve the dispute, in 1999 the Brazilian bank, in agreement with the Brazilian tax authorities, entered into a tax settlement agreement ("REFIS" under Article 17 of Brazilian Law 9779 of 1999), which provided for payment of just the tax, without penalties or interest.

However, in 2001, the local tax administration declared the settlement ineffective through a further assessment notice, due to an alleged shortfall in tax paid. As a result, the company was again deemed liable for the amount originally assessed in 1997 (net of the amount settled under the tax settlement agreement), including penalties and interest (totalling BRL 32 million). The Brazilian tax administration argued that the calculation of the tax under the 1995 settlement had not taken into account that the correct CSLL rate applicable to banks was 30% (and not 10%, as argued by the company) and that the CSLL could not be deducted from the IRPJ taxable base. The Brazilian bank also appealed this notice to challenge the unlawful disallowance of the tax settlement agreement. Following this challenge, the Brazilian tax authorities retained BRL 15 million of the original judicial deposit of BRL 74 million.

The first set of proceedings concluded with a ruling by the administrative court of second instance (CARF). The court held that it was required to rule solely on whether default interest was due in the case of a judicial deposit by the taxpayer and acknowledged the existence of the deposit, ruling that no interest was payable. It did not rule on the merits. In the second set of proceedings, the CARF again upheld the Brazilian bank's appeal, confirming the validity of the tax settlement agreement and therefore ruling that the claim by the tax authorities was entirely unfounded both in respect of the principal (IRPJ and CSLL) and penalties and default interest.

Those decisions were not appealed by the Brazilian tax authorities. However, in 2011, they issued a payment order against the bank for tax, interest and penalties totalling BRL 157 million. In order to avoid enforcement proceedings and bring the matter before the civil courts, the Brazilian bank paid the full amount in dispute by way of a judicial deposit (currently standing at BRL 281 million, prudently recognised in ISP's accounts at BRL 216 million as at 31 December 2020, equivalent to 35 million euro as at December 2025). This sum was advanced by Intesa Sanpaolo to Santander Brasil and, under the most recent settlement agreement, has been recognised as due to the Parent Company if and to the extent the tax litigation is decided in the taxpayer's favour.

The above-mentioned payment order gave rise to ordinary civil litigation that is currently pending before the Court of Appeal, following an appeal lodged by the Brazilian bank on 10 May 2021 against the ruling of the court of first instance, which was almost entirely unfavourable (reducing the assessment from BRL 32 million to BRL 27 million in tax, plus penalties and interest now totalling BRL 164 million).

The main grounds of appeal against the first instance decision are the following:

a. the Brazilian bank and the tax authorities entered into a tax settlement agreement in respect of the claim for 1995 and, as a result, no further claims may be made in this regard. According to the tax authorities, the settlement could be reopened in light of a newly discovered fact that was not known at the time of the agreement, namely that the Brazilian bank, instead of rectifying 1995 directly, had carried forward the PDD write-downs for taxation in 1997, when it posted a loss. However, as observed by the bank, the adjustment for 1997 was known to the tax administration and, therefore, the additional claim after the settlement agreement was not due to a factual error but a legal error on the part of the tax authorities, which is inadmissible under Brazilian law;
b. the court failed to take account of the res judicata effect of the favourable CARF ruling in the first set of administrative proceedings, which held that the Brazilian tax authorities' claim was no longer valid;
c. furthermore, the court failed to recognise the binding effect of the CARF ruling in the second set of administrative proceedings, which expressly ruled that default interest was not due. According to the civil court, the second set of proceedings concerned only the tax payable determined in 1997, partially covered by a judicial deposit by the Brazilian bank, and not the interest accrued in connection with the increased claim arising from the 2001 assessment. Moreover, on the basis that the CARF decision was not sufficiently detailed or reasoned, the court held that the lack of an appeal by the Brazilian tax authorities did not prejudice the public interest in collecting the assessed amount;
d. on a strictly subsidiary basis, the calculation of additional taxes, interest and penalties payable, as determined in the first instance decision, is flawed in that it did not properly take account of the residual judicial deposit of BRL 15 million made by the Brazilian bank in 1997. The court erroneously identified October 2009 as the date for offsetting the deposit against the liability to the tax authorities, on the basis that it was only from that date that the deposit came under the management of the Italian Treasury. The Brazilian bank instead considers that the appropriate reference is 2000, when the Federal Savings Bank formally acknowledged the existence of the deposit. As a result, no interest (or default charges) should accrue from that date, since the existence of the deposit excludes their accrual by law. The Brazilian bank also contests the method for updating the deposit, maintaining that a more favourable rate than that proposed by the Brazilian tax authorities and accepted by the court should be applied.

Finally, in 2022 an opinion was issued by Professor Tercio Sampaio Ferraz, a lawyer, emeritus professor at the University of São Paulo and renowned Brazilian constitutional law expert, confirming both the definitive nature of the 1995 tax settlement agreement and the final and unchallengeable status of the administrative dispute decided in favour of the taxpayer by the two CARF rulings.
For this position, in the fourth quarter of 2025, an additional provision of 5.5 million euro was recognised (compared to 8 million euro as at 31 December 2024), fully covering the value of the guarantee deposit corresponding to the assessed higher taxes, penalties and enforcement costs. Based on the above analysis of the merits, and notwithstanding the complexity of the dispute and the Brazilian judicial system, the risk of non-recoverability of the guarantee deposit appears significantly lower in respect of default interest, compared to the other elements of the assessment, due to the existence of two administrative rulings in favour of the bank, including one specifically concerning interest. For tax, penalties and enforcement charges, the risk has prudently been assessed as likely (and accordingly fully provisioned based on the December 2025 exchange rate), given the fewer supporting legal arguments available, the protracted duration of the proceedings (now spanning almost thirty years), as well as the failure of alternative dispute resolution measures, which had seemed imminent at the start of 2025, to materialise.

Former Sanpaolo IMI Bank International S.A. (Madeira – Portugal) – Withholding taxes for the years 2002 to 2004
In relation to the subsidiary Sanpaolo IMI Bank International S.A. Funchal, based in Madeira (Portugal) - dissolved in 2008 - a dispute is pending for the years 2002, 2003 and 2004 (claim 14.3 million euro). Originally, the disputed amounts totalled 28 million euro, which were reduced during the course of the proceedings.
On the merits, the local tax authorities disputed the non-taxation for local corporate income tax purposes of interest under the Euro Medium Term Note Programme (EMTN) bond issue programme, paid by the Portuguese subsidiary to beneficiary companies from which no evidence of non-tax resident status in Portugal had been provided.
The dispute is currently pending at first instance for the years 2002 and 2004, following the referral by the Portuguese Supreme Administrative Court for the re-examination of the evidence submitted by ISP in the proceedings and not duly taken into consideration. The case for the year 2003 is still pending before that Supreme Court.
No provisional payments have been made to the Portuguese tax authorities to date. On the basis of the local consultant's assessment of likely risk, this dispute is fully covered by a provision for risks.

Intesa Sanpaolo – Registration tax on sale of a business unit to Banca Popolare di Puglia e Basilicata (BPPB)
This dispute concerns the assessment of a higher registration tax (claim amount of 1.8 million euro plus interest), for the value of the business unit (17 former UBI Banca branches) sold by Intesa Sanpaolo to BPPB in 2021. At second instance, the Tax Court upheld the Italian Revenue Agency – Milan II Provincial Directorate's appeal and overturned the lower court ruling in favour of BPPB and Intesa Sanpaolo. On 29 August 2025, a payment notice was served for provisional collection of the remaining amount due following the second instance ruling, for a total of 1.58 million euro (592 thousand euro for taxes, the same amount for penalties and the remainder for interest), of which 1.22 million euro is payable by BPPB, under the contractual agreements. Accordingly, Intesa Sanpaolo paid the notice on 24 October 2025, receiving a credit from BPPB for its share on 28 October 2025. Both banks have filed an appeal with the Court of Cassation.
No provision has been made for this position as the risk of liability has been assessed as possible, also in light of the opinion issued by the counsel appointed by Intesa Sanpaolo to appear before the Court of Cassation, who noted that the reasoning of the appellate ruling is, on the one hand, contradictory (it admits the existence of negative goodwill, as the difference between the transferred net assets and the market value of the business unit, but nonetheless upholds the Italian Revenue Agency's appeal) and, on the other hand, questionable for having endorsed the valuation of the business based on coefficients applied by the Agency to the direct and indirect deposits of the transferred branches, a methodology no longer appropriate to the changed economic conditions in 2021.

Intesa Sanpaolo – Mortgage and land registry taxes on sale of property in Cosenza
On 3 February 2025, the Italian Revenue Agency – Provincial Directorate of Cosenza issued an enforcement order concerning a notice of assessment for mortgage and land registry taxes (claim of 0.6 million euro) on the sale to third parties of the property located in Cosenza, Viale Crati (the headquarters of the former Banca Carime), adjusting the sale value.
Intesa Sanpaolo challenged the payment notice containing the enforcement order before the First Instance Tax Court of Cosenza, requesting its joint examination with appeal against the original notice of assessment. By rulings filed on 23 September 2025, the notice of assessment and, consequently, the payment notice were annulled. The Agency lodged an appeal against the ruling concerning the payment notice, in relation to which ISP filed its own counterarguments on 27 December 2025 with the Second Instance Tax Court of Calabria.
Given that this is a dispute concerning technical and valuation issues (higher market value of the property compared to the sale price, used as the taxable base for the taxes), in which the Agency used a comparative approach with transactions involving offices in the same area and period, and for which expert valuations exist indicating that the value of the property is lower than the amount assessed but higher than the purchase price, any estimate regarding a positive outcome of the dispute is considered uncertain. Accordingly, on a prudent basis, the risk of liability has been assessed as likely and therefore the claim amount has been fully provisioned.

Intesa Sanpaolo – Registration tax on the decree of the Civil Court of Milan
On 24 January 2024, the Italian Revenue Agency – Provincial Directorate of Milan issued a payment notice for registration tax of 0.6 million euro relating to a Court of Milan decree admitting Intesa Sanpaolo as a creditor in the insolvency of a company under extraordinary administration for a principal amount of 200 million euro, plus compensatory and default interest. The Agency quantified the latter at 59 million euro and, based on this, determined a 1% registration tax (judicial acts recognising property rights) of 0.6 million euro. Intesa Sanpaolo challenged the notice by appeal filed on 2 April 2024 at the Milan First Instance Tax Court. The Court rejected the appeal by ruling filed on 4 November 2024, against which the Bank lodged an appeal on 28 January 2025 with the Lombardy Second Instance Tax Court. The Italian Revenue Agency has filed its own counter-appeal.
No provision has been made for this position as the related payment has already been expensed in the income statement.

Intesa Sanpaolo – Registration tax on the judgment of the Civil Court of Lecco
On 4 December 2023, the Italian Revenue Agency – Provincial Directorate of Lecco issued a notice of assessment for registration tax (claim of 0.5 million euro) relating to a 2022 injunction issued by the Civil Court of Lecco ordering an industrial company to pay Intesa Sanpaolo – as assignee of the receivable for (non-financial) lease payments on the building where the company has its production plant – a total of 13.2 million euro plus VAT and interest on arrears. The notice was challenged within the legal deadlines by objecting, inter alia, to the proportional 3% registration tax on the lease payment order, for infringement of the principle that VAT and registration tax are mutually alternative taxes.
By judgment filed on 14 June 2024, the first instance Tax Court of Lecco upheld the Bank's action, fully annulling the challenged notice and ordering the Agency to pay the costs. The Agency lodged an appeal with the Second Instance Tax Court of Lombardy, which dismissed it by ruling filed on 31 March 2025, upholding the first instance decision. The Italian Revenue Agency, through the State Attorney's Office, filed an appeal with the Court of Cassation on 28 May 2025, to which Intesa Sanpaolo responded with its defence statement filed on 7 July 2025.
No provision has been made for this position as the related payment has already been expensed in the income statement.

The following Parent Company disputes were settled in 2025.

Former Cariparma – Registration tax on reclassification as a sale of the transfer of a banking business and subsequent sale of equity investments to Credit Agricole
On 6 March 2014, the Italian Revenue Agency – Provincial Directorate II of Milan served a payment notice for registration tax (claim amount of 14.8 million euro, of which 9.9 million euro for tax and 4.9 million euro for interest) reclassifying the transfer of the business line (bank branches), from ISP to Cassa di Risparmio di Parma e Piacenza on 13 May 2011 and the subsequent sale of the shares issued in return for the contribution from ISP to Credit Agricole, as a sale of a business unit.
Intesa Sanpaolo obtained favourable rulings both at first and second instance in 2016 and 2018, respectively. Following the Agency's appeal to the Court of Cassation, the Court issued a proposal for settlement of the dispute under Article 380-bis of the Italian Code of Civil Procedure, rejecting the Agency's appeal as unfounded in light of consistent case law holding that, for registration tax purposes, deeds may only be interpreted based on their content, without reference to external acts or factors. The Agency raised no objection, thereby waiving the appeal, and, consequently, by decree filed on 26 June 2025, the Court of Cassation declared the proceedings closed.
There were no profit or loss impacts, because no provision had been made to the allowance for risks and the amount paid on a provisional basis in April 2014 had already been reimbursed in October 2019.

Former Leasint – VAT on reclassification of nautical lease contracts – Tax years 2005 and 2006
This dispute concerns two VAT assessments for the years 2005 and 2006 (initial claim of 10 million euro for tax, penalties and interest, later reduced to the current 6 million euro after the Italian Revenue Agency waived some claims during the proceedings), notified to Leasint S.p.A. (later Mediocredito Italiano S.p.A. – MCI). The Agency reclassified several nautical finance lease contracts as transfers of goods for tax purposes only. The first instance proceedings concluded in 2013 with a ruling in favour of MCI, reversed by the appellate court in 2014, which thus confirmed the assessments. Most recently, the Court of Cassation upheld the appeal by MCI, remanding the case to a different section of the Lombardy Tax Court for a new examination of the merits of the entire dispute. In March 2025, the case was resumed before the Tax Court, which invited the parties to attempt conciliation.
On 14 November 2025, an out-of-court settlement was signed which reduced the claim from 5.5 million to 0.6 million euro. As a result, the Lombardy Tax Court declared the proceedings closed by ruling of 26 November 2025.
The position had been fully provisioned and, as a consequence of the settlement, around 5 million euro was released to the income statement.

Registration tax on sale of business unit to former Banca Carige
On 12 March 2010, a notice of assessment for registration tax was served regarding a business unit (bank branches) sold by Intesa Sanpaolo to Banca Carige, for a total of 3.2 million euro. Pending the legal proceedings, the Bank paid two-thirds of the tax (2 million euro), plus interest, on a provisional basis. Following the adverse outcome of the dispute, the remaining amount (1 million euro for tax, plus interest) was prudently provisioned. This amount is now no longer payable due to the ten-year statutory limitation and has therefore been released.

Former Banca Apulia – Registration tax on ruling of the Civil Court of Bari
Regarding the payment notice served on 8 August 2024 for registration tax of 1.1 million euro relating to a 2023 ruling of the Court of Bari, which was appealed at first instance, Intesa Sanpaolo subsequently accepted a settlement proposal from the Italian Revenue Agency, which recognised that the assessed tax had been unduly charged, limited to the amount of 262 thousand euro. As a result, the proceedings were declared terminated by ruling of 11 February 2025 by the First Instance Tax Court of Bari, which became final on 11 September 2025.
The remaining claim amount, with respect to one cancelled during the conciliation process, represents a receivable from the former Veneto Banca in compulsory administrative liquidation, as the case is fully indemnifiable under the compulsory administrative liquidation procedure.

With regard to Intesa Sanpaolo's international branches, the following is noted.

Concerning the audit initiated following the questionnaire received on 4 January 2023 by the London branch from the UK Revenue Agency regarding the 2020 tax year, in its latest request in February 2025 – answered on 25 April 2025 – the HMRC narrowed its investigation to the provision of services/transfer of goods between the London branch of Intesa Sanpaolo and other Group entities and to the level of the branch's own funds. With exclusive reference to this last aspect, in June the HMRC challenged the allegedly excessive size of the branch's endowment fund, resulting in the undue tax deduction of "notional" interest for the years 2020 to 2022 (estimated higher taxes of around 2.8 million euro). On 11 July, the branch replied

to the observations made by the local authority, indicating its willingness to consider settling the potential dispute without the application of penalties and by offsetting previous taxes paid in excess. The HMRC replied by communication of 3 December 2025 accepting the proposal for additional tax of around 2.8 million euro plus interest, with no penalties.

With regard to the New York branch, the audit, notified in July 2021, conducted by the City of New York, with regard to the tax periods 2018 and 2019, closed without any claims.

A claim was also brought against the former New York representative office of CR Firenze for failure to file a tax return for tax year 2015 (estimated charge of approximately 1,600 euro). Since the representative office was closed down in 2010, the New York branch of ISP submitted a reply on 19 December 2024 to the State of New York to have the claim cancelled, to which the US authority has not yet responded.

The tax audit initiated in 2021 on the Munich branch of UBI Banca for the years 2015 to 2018 was closed in February 2025 without any findings for the years 2015 to 2017. In March 2025, the Munich Tax Office requested details and documentation on VAT for the year 2018, which the Bank delivered between the end of March and the beginning of April.
No claims have been made for the time being.

The tax audit of the Frankfurt branch for the year 2019, concerning income tax, which started in June 2024, was closed without any findings in February 2025. In March 2025, the Frankfurt branch underwent a new tax audit in connection with income taxes relating to the tax years 2020-2022: no findings have been reported at this stage.

In August 2024, a tax audit was launched for tax periods 2021-2023 on the Shanghai branch. The branch settled the findings with a total outlay of 44 thousand euro for minor irregularities relating to VAT and individual income tax on health benefits provided to employees of the branch.

In May 2024, a tax audit was initiated for tax periods 2019/2020, 2020/2021 and 2021/2022 on the Hong Kong branch. The local tax authorities analysed the methods used to determine the branch's taxable income following the implementation of the "Authorized OECD Approach" (AOA), which provides a systematic methodology for attributing profits to a permanent establishment under Article 7 of the OECD Model Tax Convention. The audit concluded with a challenge concerning part of the interest expense deducted by the branch. For the three years in question, additional tax of around 1.7 million euro was assessed, which has been fully provisioned, as the branch is considering settling the potential dispute with the local tax authorities without the application of penalties and interest.

Italian Group Companies

Intesa Sanpaolo Private Banking – IRES (corporate income tax) and IRAP (regional production tax) on the tax deductibility of amortisation of realigned goodwill – Tax years 2012, 2016 and 2020

With regard to the Intesa Sanpaolo Private Banking ("ISPB") dispute relating to the notice of IRES (corporate income tax) and IRAP (regional production tax) tax assessment (also notified to Intesa Sanpaolo as consolidating entity for IRES purposes only) for the year 2016 – which challenged the tax deduction of the amortisation of goodwill arising from contributions received by ISPB in the years 2009, 2010 and 2013 and released by ISPB using the option to realign tax values to balance sheet values pursuant to Article 15, paragraph 10, of Decree Law no. 185/2008 – the Lombardy Second Instance Tax Court, by judgment filed on 5 September 2024, rejected the appeal (by Intesa Sanpaolo and ISPB) against the unfavourable first instance ruling (higher taxes of 4 million euro, plus penalties of the same amount and interest). The judgement has been appealed by means of a notice of appeal to the Court of Cassation served on 4 March 2025.
The same dispute is ongoing for the year 2012 (higher taxes of 3.9 million euro, plus penalties of the same amount and interest), and is currently pending before the Court of Cassation.
For the other years (2011, 2013, 2014, 2015 and 2017), on the other hand, disputes were settled with the procedure under Law no. 197 of 29 December 2022 ("2023 Budget Law"), known as "tax truce".
No provision has been made for pending disputes, based on the opinion issued by the advisor appointed, which assessed the risk of an adverse outcome as being possible, but not likely, due to the lawfulness of realigning the tax value of the goodwill newly generated for the transferee, which was expressly acknowledged by the Italian Revenue Agency in Circular no. 8/E of 2010 and is consistent with the provisions of Article 15, paragraph 10 of Decree Law no. 185/2008.
On 18 September 2025, ISPB received notices of proposed assessment for IRES (corporate income tax) and IRAP (regional production tax) regarding the tax deductibility of amortisation of the realigned goodwill for the year 2020, which quantified a higher taxable amount of 1.1 million euro, resulting in IRES (corporate income tax) and related surcharges of 0.3 million euro and IRAP (regional production tax) of 0.1 million euro (plus penalties and interest). ISPB considered it unnecessary to make observations (pursuant to Article 6-bis of Law 212/2000) on the draft assessments, as the issue is already well known and the positions of the Italian Revenue Agency and the Bank are clear. Future assessment notices will therefore be challenged once they have been served.
In relation to the same issue, on 23 December 2025 ISPB, together with ISP as consolidating entity, submitted a claim to the Italian Revenue Agency for a refund for IRES (corporate income tax) for the year 2024 of 1.1 million euro, as well as separately for additional IRES (corporate income tax) and IRAP (regional production tax) of a further 0.4 million euro, regarding the share of amortisation of realigned goodwill not deducted in that period. Since 2024 these amounts have no longer been deducted, thereby giving rise to refund claims for the excess tax paid.

Fideuram Intesa Sanpaolo Private Banking – Withholding tax on interest on foreign bank accounts – Tax years 2009, 2010 and 2011

For Fideuram – Intesa Sanpaolo Private Banking (hereinafter Banca Fideuram), on 3 June 2025 the hearing was held at the Court of Cassation concerning the three pending lawsuits regarding the failure to withhold 27% of the interest accrued in 2009,

2010 and 2011 on foreign bank accounts held at Fideuram Bank (Luxembourg) by two "historical" Luxembourg mutual funds (Fonditalia and Interfund SICAV), for which Banca Fideuram was only the placement bank and correspondent bank in the years under tax assessment (total value of the disputes of 9.3 million euro). By rulings filed on 4 August 2025, the Court of Cassation upheld two appeals relating to the 2009 and 2010 tax years, referring the cases back to the court of appeal, before which Banca Fideuram will appear within the statutory deadline.
With regard to these disputes, the provision of 5 million euro previously made (plus 0.2 million euro for interest) has been prudently maintained, as the Court of Cassation ruled on certain points of law but remitted to the lower court the determination of Banca Fideuram's actual involvement in the placement of the mutual funds, which will determine the outcome of the dispute.

Fideuram Intesa Sanpaolo Private Banking (Banca Fideuram) – Waste Tax (TARI) and Environmental Services Tax (TEFA) – Tax years 2019/2024
On 24 October 2025, the Municipality of Rome served Banca Fideuram with two tax assessment notices regarding the waste tax (TARI) and environmental services tax (TEFA), for a total amount of 0.6 million euro (plus interest and penalties), alleging failure to file the TARI declaration and non-payment of the tax for the years from 2019 to 2024.
Banca Fideuram initially (on 31 October 2025) submitted requests for annulment in self-defence (autotutela), pointing out that the properties were recorded in the systems of the Rome Administration, as evidenced by payment reminders received, demonstrating that the alleged TARI declaration omissions did not occur. Having received no response, Banca Fideuram filed appeals against the two notices on 19 December 2025, pointing out, among other things, that the tax for the contested years had been paid by the Parent Company, where the Municipality – at the time of the establishment of the Intesa Sanpaolo VAT Group on 1 January 2019, of which Banca Fideuram is also a member – probably mistakenly replaced Banca Fideuram with the Parent Company Intesa Sanpaolo as the TARI taxpayer.
No provision has been made in relation to this dispute as the risk of an adverse outcome is considered possible but not likely, because the assessed tax was paid by the Parent Company under the existing service arrangement with Banca Fideuram.

Cargeas Assicurazioni – Tax on insurance policies covering the risk of loss of employment – Tax years 2010/2018
Cargeas Assicurazioni – merged into Intesa Sanpaolo Assicura, now Intesa Sanpaolo Protezione – underwent a tax audit by the Italian Revenue Agency, Lombardy Regional Directorate, Large Taxpayers Office, aimed at verifying the correct application, for the years from 2010 to 2018, of the tax rules on private insurance and life annuity contracts pursuant to Law no. 1216 of 29 October 1961.
As a result of the audit, the authorities issued a claim against the company that redundancy insurance policies (which are mandatorily associated with salary-backed loans and optional with other mortgages, loans and consumer credit), should not be subject to tax on insurance premiums at a rate of 2.5%, but should, in the opinion of the Italian Revenue Agency, instead be classified as credit risk insurance policies, subject to a tax rate of 12.5%. The disputes, for a total claim amount of 9.6 million euro (tax 2.8 million euro, interest 1.1 million euro, and penalties 5.7 million euro) were settled during the year through settlement agreements with a total outlay of 0.7 million euro.

Intesa Sanpaolo Assicura – Tax on insurance policies covering the risk of loss of employment – Tax year 2012
Regarding the same matter concerning Cargeas Assicurazioni described above, in May 2023 the Italian Revenue Agency notified a tax assessment for the year 2012 to Intesa Sanpaolo Protezione (formerly Intesa Sanpaolo Assicura) for a claim amount of 1.2 million euro (tax 0.3 million euro, penalties 0.8 million euro, plus interest of 0.1 million euro). The assessment was appealed in September 2023, which was accepted by ruling in 2024 of the First Instance Tax Court of Turin. The Italian Revenue Agency filed an appeal served on 20 February 2025, which Intesa Sanpaolo Protezione responded to with counterarguments on 10 April 2025.
No provision has been made for this dispute, based on the opinion of the advisor, who considers the risk of an adverse outcome to be possible but not likely.

Intesa Sanpaolo RBM Salute – Underpayment of insurance tax – Tax year 2023
In addition, on 3 March 2025, Intesa Sanpaolo Protezione (as the absorbing company of *Intesa Sanpaolo RBM Salute*) received a payment notice for the 2023 tax year (penalty of 0.4 million euro and interest of 37 thousand euro) for the alleged underpayment of the advance on the insurance tax for employment risk coverage. The company's appeal was upheld by the First Instance Tax Court with a ruling issued on 19 December 2025, and the time limit for an appeal by the Italian Revenue Agency has not yet expired.
No provision has been made for this dispute, as the risk of an adverse outcome is considered possible but not likely.

Intesa Sanpaolo Life DAC – Tax monitoring – Tax years 2018/2022
As already reported in the notes to the consolidated financial statements as at 31 December 2023 and 2024, on 29 November 2023, the former Intesa Sanpaolo Life DAC – an insurance company incorporated under Irish law (hereafter ISL) absorbed by Intesa Sanpaolo Vita, now Intesa Sanpaolo Assicurazioni – received a summons from the Guardia di Finanza (Italian Tax Police) to provide clarifications regarding tax monitoring requirements. Following the merger, this notice was renewed for the absorbing company Intesa Sanpaolo Vita (now Intesa Sanpaolo Assicurazioni) for the years 2018-2022. Through a brief dated 25 January 2024 and in subsequent meetings with the auditors, the company reiterated all the reasons why ISL should not be considered subject to the compulsory tax monitoring obligations.
On 13 December 2024, the Italian Revenue Agency – Provincial Directorate I of Milan issued a first tax assessment notice for the year 2018 for alleged violation of the above-mentioned tax monitoring obligations by ISL, quantifying a penalty of 0.6 million euro, against which Intesa Sanpaolo Assicurazioni submitted its defence pleadings on 11 February 2025.
On 12 November 2025, a further 4 tax assessment notices were served for the years from 2019 to 2022, quantifying a total penalty of 1.6 million euro (0.5 million euro for 2019, 0.5 million euro for 2020, 0.3 million euro for 2021 and 0.3 million euro for 2022). Intesa Sanpaolo Vita will submit specific defensive submissions against these notices within the statutory time limit. No provision has been made in respect of these latest tax assessment notices, as the risk of an adverse outcome is considered possible, but not likely.

Eurizon Capital SGR – transfer pricing – Tax year 2019

On 16 and 17 December 2025, the Italian Revenue Agency – Regional Directorate of Lombardy served two draft tax assessment notices on *Eurizon Capital SGR* for IRAP (regional production tax) relating to the merged *Epsilon SGR* for a total of 1.4 million euro and, together with the consolidating company ISP, two draft notices for IRES (corporate income tax) relating to Eurizon Capital and Epsilon for a total of 6 million euro.

The higher IRES and IRAP assessed in the draft tax assessment notices refer to the 2019 tax year and relate to alignment with the arm's length values of the transaction concerning the service – provided by Eurizon Capital SGR and Epsilon – of delegated management of several UCIs (Undertakings for Collective Investment) established by the former Luxembourg subsidiary Eurizon Capital S.A. and, for Eurizon alone, of several unit-linked policies established by Intesa Sanpaolo Life DAC (Ireland) and delegated by the latter to Eurizon Capital S.A., which in turn had sub-delegated the management to Eurizon Capital SGR.

These draft notices follow questionnaires served by the Regional Directorate of Lombardy on 11 July 2025 to which Eurizon Capital SGR responded within the established time limit.

As previously reported, for the 2018 tax year the same issue was settled by the signing of agreements to the IRES and IRAP assessments on 24 April 2024 (see the notes to the 2024 consolidated financial statements), according to an approach which, if applied to the 2019 tax year, would result in additional IRES and IRAP totalling 2.5 million euro compared with the above-mentioned total of 7.4 million euro. Consequently, Eurizon Capital SGR will propose to the Regional Directorate of Lombardy that the 2019 tax year be settled on the same conditions as 2018 and consequently to eliminate/reduce the double taxation by initiating a mutual agreement procedure in accordance with Article 3 of Legislative Decree 49 of 2020 regarding tax dispute resolution mechanisms within the European Union, in line with the procedure already adopted for the 2016-2018 tax years in accordance with Article 26 of the double taxation agreement between Italy and Luxembourg, which was the only procedure available up to the 2018 tax year.

With regard to the years from 2019 to 2025, Eurizon Capital SGR has made provisions of 6.7 million euro for higher tax and interest, already net of the recovery of the double taxation in Luxembourg, of which 0.9 million euro relates to the above-mentioned 2019 draft tax assessment notices, with the remainder as an estimate of 5.8 million euro for the 2020-2025 tax years for disputes that may be settled under conditions consistent with those of the 2018 and 2019 tax years.

International Group Companies

Intesa Sanpaolo Bank Albania

The bank is involved in the following disputes, for which the claim amounts have been fully provisioned: (i) assessment served in 2007 concerning income tax (deduction of cancellation of non-performing loans), arising from a tax audit for the years 2003-2007 on the former Banca Italo Albanese, for 1.5 million euro, currently pending before the Supreme Court of Albania; (ii) assessment served in 2016 concerning income tax, as a result of a tax audit for the years 2012-2015 on the former Veneto Banka, for 40 thousand euro, currently pending before the Supreme Court of Albania; (iii) two assessments served in 2023 regarding withholding taxes for 2019: the first for 13 thousand euro, with an appeal pending before the Court of First Instance – Tax Section, and the second for 154 thousand euro, with an appeal pending at administrative level; and (iv) assessment served in 2024 regarding withholding taxes for 2019 for 149 thousand euro, subject of an appeal pending at administrative level.

Intesa Sanpaolo Brasil S.A. – Banco Multiplo

The bank was audited by Receita Federal do Brasil (RFB). The audit was followed by a notice of assessment for direct taxes for the years 2015 and 2016. This dispute mainly concerns the improper use of tax losses carried forward pertaining to Indosuez W.I. Carr Securities Brazil Distribuidora de Titulos e Valores Mobiliarios S.A., which in the opinion of the Brazilian tax authorities could not be used, because they were generated before the reorganisation of Intesa Sanpaolo Brasil S.A. - Banco Multiplo (from broker/dealer of financial products to universal bank), which would have modified both the business activities carried out and the corporate structure. The tax assessment by RFB amounts (at the updated Euro/Real exchange rate) to a total of 2.5 million euro (principal and interest), for which the company has not made any provision, as it considers the risk of an adverse outcome to be remote, also based on the local counsel's opinion. The first instance administrative proceedings ended unfavourably for the Bank, which appealed to the second instance administrative authority on 14 December 2020. In the event of an adverse outcome, an appeal can be lodged with the judicial authorities.

The Brazilian company also underwent a tax audit by the Sao Paulo City Municipality, which resulted in tax assessments for Imposto Sobre Servicos (ISS) for the years 2016-2021. The total claim amount is 294 thousand euro of principal (146 thousand as at 31 December 2024), plus 29 thousand euro of interest (15 thousand as at 31 December 2024) – with increases due to two additional assessment notices on 6 May 2025 for the years 2020 and 2021, as well as the EUR/BRL exchange rate effect – against which the company has not made any provision, given that the risk of an adverse outcome is considered to be low, based on the opinion of the local counsel and the circumstance that an independent consultant appointed by the court of first instance has considered the tax treatment applied by the company to be lawful. The company's appeal was upheld by ruling of 11 June 2025, and the time limit for a possible appeal by the Sao Paulo City Municipality has not yet expired.

Alexbank

With regard to Alexbank (Bank of Alexandria), the corporate income tax audit, concerning the 2018 and 2019 tax periods, was settled with the payment of 0.2 million euro.

In addition, there is a pending dispute at first instance concerning the non-payment of stamp duty for a total amount (at the updated exchange rate) of 0.8 million euro for the tax periods 1984 – 2006. This potential liability has been fully provisioned.

Intesa Sanpaolo Banka D.D. Bosnia and Herzegovina
The bank underwent an audit by the Indirect taxes BiH office, which was followed by a VAT assessment notice for the period 1 April 2013 - 31 March 2018, served on 11 October 2018. The assessment concerns certain services that according to the tax authority are not VAT-exempt because they are non-financial: i) international services rendered by VISA; ii) services rendered to customers in connection with financial products (e.g. current account balances); and iii) legal services rendered by foreign suppliers. The dispute totals 0.1 million euro for VAT, penalties and interest, which has been fully provisioned. Intesa Sanpaolo Banka filed an appeal against the notice of assessment on 30 October 2018, which was rejected by the local tax authority. An appeal against the first instance decision was filed in March 2019. In 2021, the first instance tax authority rejected the bank's appeal and the bank appealed to the second instance tax authority, which was rejected by decision in February 2022. The bank filed a complaint with the director of the tax authority in February 2022, which was rejected by a decision of 23 May 2024. The bank lodged an appeal against this decision on 19 July 2024 with the Court of First Instance, which rejected it by ruling of 22 October 2025. The bank lodged a further appeal against this decision on 27 October 2025 with the Court of Appeal, both on the merits and concerning certain procedural defects. The appeal hearing is currently pending.

In addition, the Bank has two other Corporate Income Tax disputes pending for tax years 2004 - 2006, both of which are pending at second instance (the first instance in both cases ended unfavourably for the Bank). Contingent liabilities of 0.3 million euro arising from the second instance cases have been fully provisioned.

In October 2021, the Bank underwent a new VAT tax audit for tax periods 2018-2021 concerning certain services rendered by Mastercard and Visa in the payment card segment to banks based in Bosnia and Herzegovina, including our Group's bank, which had previously been considered, according to local law and practice, as financial services and consequently VAT exempt. During the audit, the Bosnian tax authority considered that the services in question could not be classified as financial services and were therefore to be fully taxed for VAT purposes. As a result of this decision, in May 2023 Intesa Sanpaolo Banka received a tax assessment of approximately 0.9 million euro for additional VAT for the period from April 2018 to August 2021, without default interest. In June 2023, the bank filed an appeal, which was rejected by the same authority in the following August, and received a demand for payment of 0.4 million euro in default interest, which it promptly paid. The bank appealed to the higher tax authority against the tax assessment of May 2023 and the demand for interest payment of August 2023. The disputed amounts (0.9 million euro for VAT and 0.4 million euro for interest) have been provisioned.
In light of the position taken by the Bosnian tax authority on the issue, in December 2023 the Board of Directors of Intesa Sanpaolo Banka resolved to set aside 1 million euro by way of additional VAT for the period from September 2021 to September 2023, plus default interest, and to allocate monthly provisions corresponding to the VAT accrued on services provided in the cards segment by Mastercard and Visa.
As a result, the updated provision totalled 3.3 million euro, of which 2.7 million euro for VAT and 0.6 million euro for interest.

Pravex Bank
The Ukrainian subsidiary has a dispute pending before the Court of Cassation since 2021, after the two lower courts ruled in its favour, concerning the non-recognition of the tax loss of around 4 million euro carried forward in 2018 from previous years. The tax dispute does not affect the profit and loss account because the company had not recognised deferred tax assets at the time.

First Bank (Intesa Sanpaolo Bank Romania)
With regard to First Bank (formerly Piraeus Bank Romania), merged into Intesa Sanpaolo Bank Romania in 2025, the Romanian tax authority issued a claim against Piraeus Bank Romania in respect of the years 2011-2016 for the improper use of tax losses following a company restructuring in 2013 (claim amount of 7.2 million euro plus interest) and for adjustments on interest and fees for intragroup transactions allegedly not compliant with local transfer pricing rules (claim amount of 1 million euro plus interest). In both cases the claims remained confined to the aforementioned tax periods and, therefore, had no consequences for subsequent periods, as they related to (i) extraordinary transactions and (ii) operations subsequently conducted in different ways following changes to the bank's shareholding structure which took place in 2018. The entire claimed amount (8.2 million euro for tax and 4.6 million euro for interest) was paid by the bank in 2018 and subsequently recognised in the income statement, following a 2022 assessment of likely adverse outcome. The dispute is still pending before the Bucharest Court of Appeal, following referral by the local Supreme Court of Justice.

* * *

In connection with all the tax disputes outstanding as at 31 December 2025, for a claim, as stated above, of 138 million euro, of which 77.7 million euro relating to Intesa Sanpaolo, the Group has recognised receivables of around 42.5 million euro in its balance sheet assets to account for amounts paid on a provisional basis due to tax assessments, of which 10.6 million euro related to the Parent Company.
The portion of the allowance for risks, which relates to provisional tax assessments, amounts to around 15 million euro, of which 6 million euro for Intesa Sanpaolo.
The provisional payments in question were made in compliance with specific legal provisions, which provide for the mandatory payment based on an automatic mechanism totally independent of whether the related tax claims are actually founded and, thus, irrespective of the higher or lower risk of a negative outcome in the related proceedings. Thus, these payments were made solely because of the enforceable nature of the administrative acts that set forth the related tax claim, which does not lose its effectiveness even in the event of an appeal (no suspensive effect) and has no impact on the assessment of the actual risk of a negative outcome, which is measured using the criterion set forth in IAS 37 for liabilities.

SECTION 3 – RISKS OF INSURANCE COMPANIES

INTRODUCTION

The Insurance Division oversees management of the subsidiaries Intesa Sanpaolo Assicurazioni, Intesa Sanpaolo Protezione, Fideuram Vita, InSalute Servizi and Intesa Sanpaolo Insurance Agency, with the mission of synergically developing the insurance product mix targeting customers of the Intesa Sanpaolo Group and expanding the concept of Bancassurance.
In managing insurance company risks, the Intesa Sanpaolo Assicurazioni Group (hereinafter, also the "Insurance Group") has set up an effective risk management system, proportionate to the nature, scope and complexity of the business conducted by the companies, which helps keep the risks the company is exposed to at an acceptable level, in line with the capital provisions.
The control system of risk management, for the entire scope of the Insurance Group, complies with the provisions of insurance supervisory regulations and is consistent with the corresponding internal regulations of the Intesa Sanpaolo Group on the control system, by setting out the reference principles and defining the responsibilities of the Corporate Bodies and control functions that contribute to the correct operation of the internal control system.
The Intesa Sanpaolo Assicurazioni Group risk management process is governed in line with the own risk profile self-assessment (Own Risk and Solvency Assessment – ORSA) and its Risk Appetite Framework (RAF), in accordance with the risk appetite of the Intesa Sanpaolo Group. The first level documentation above is joined by policies and operating guides regarding the processes for managing all the risks to which the Insurance Group is exposed.
There are four macro-stages of the risk management process:
– identifying and assessing risks;
– managing risks;
– monitoring risk exposure;
– reporting.

The specific risk assessment, in the first macro-stage, provides the top management with an immediate overview of risk exposure, making it possible to steer the decision-making processes and to define priorities for action, including at the strategic planning level.
The risk assessment process is composed of four stages to be carried out at least annually (or when specific events occur):
– analysis: includes all the activities of collecting information, identifying and surveying risks, associating them with an owner and involving other specialised functions to identify and assess the risk profiles that they directly oversee;
– assessment: includes the self-assessment of the probability, impact and mitigation of risk by the risk owner. At this stage, the owner identifies any actions to implement or already implemented to mitigate the risk;
– validation: includes the stage in which the risk owner validates the results of the analysis and the risk management function dialogues with the other fundamental functions to verify that the assessment result is in line with their evidence;
– risk map: includes the preparation of a dedicated report on the exposure to risk of each company in the Insurance Group and the Insurance Group as a whole.

This process also includes risks that are difficult to quantify but are deemed material for the Insurance Group, and mitigation actions may be proposed to manage them.

Once the risk assessment process is completed, the identified risks are managed according to the operational methods and limits of tolerance shown in the Risk Appetite Framework and in the policies that comprise the risk management framework.

The activities in the stage of monitoring risk exposure include performing several stress tests, consisting of a set of techniques used by the companies of the Insurance Group to:
– measure their vulnerability in the event of exceptional, but plausible events;
– enable the top management in understanding the relationship between the risk taken and the risk appetite of the company, as well as the adequacy of the available capital.

Where the results of the stress tests show the potential non-compliance with the minimum regulatory requirements and/or the inadequacy of the controls set up for each risk, the Internal Control, Risks and Sustainability Committee of the Insurance Group shall discuss and propose to Board of Directors of the companies any improvement measures to consolidate the company's capital stability, taking into consideration the solvency also at Insurance Group level.
This activity is joined by a structured process of gathering the information needed to calculate the indicators and metrics defined for the risk aspects in the Risk Appetite Framework to control the limits and early warning thresholds, developed based on and in compliance with the limits and the thresholds contained in the Intesa Sanpaolo Group's RAF.
Under the Risk Appetite Framework, the Insurance Group has set up limits and early warning thresholds on the main risk factors to which it is exposed. Specifically, the main limits and thresholds set out regard risks linked to:
– capital adequacy and solvency;
– liquidity;
– stability of profits;
– non-financial risks;
– reputational, ESG and climate change risks.

The Insurance Group also has a policy on the concentration of risks which defines the concentrations to deem material and their calculation methods, to mitigate the risk that they could have negative impacts on solvency and the financial situation.
Specifically, the objective is to define risk concentrations that are consistent with the risk management strategy and policy and the investment policies.
Risk concentrations are identified by assessing the impact they may have on company's financial position and solvency, following adverse scenarios on the main risk factors, both financial and technical.

3.1 INSURANCE RISKS

QUALITATIVE AND QUANTITATIVE INFORMATION

The typical risks of the Life insurance portfolio (managed through Intesa Sanpaolo Assicurazioni and Fideuram Vita) may be summarized into three main categories: premium risks, actuarial and demographic risks and reserve risks.
On the other hand, the typical risks of the Non-Life insurance portfolio (managed through Intesa Sanpaolo Protezione and, to a residual extent, Intesa Sanpaolo Assicurazioni) are mainly related to premium and reserve risks.

Premium risks are managed initially during definition of the technical features and product pricing, and over time through periodic verification on sustainability and profitability (both at product level and at portfolio level, including liabilities). With specific regard to the Life insurance portfolio, on defining a product, profit testing is used, aimed at measuring profitability and identifying any weaknesses beforehand, by means of specific sensitivity analyses.

Reserve risk is monitored on determining the expected contractual cash flows (Present Value of Future Cash Flows - PVFCF), both by correctly verifying the determination of the value representing the commitments to policyholders and by conducting appropriate checks on the projected cash flows, including performance and consistency checks in relation to any impact analyses/estimates carried out prior to the valuation date or in relation to the movement analysis.
With regard to risk assumption of policies in the Non-life portfolio, policies are checked when acquired through an automatic system aimed at detecting the underwriting parameters associated with the applicable tariff. The check, both formal and substantive, allows the identification of exposures in terms of capital and limits of liability, in order to verify that the portfolio matches the technical and tariff scheme agreed upon with the sales network. Subsequently, statistical checks are carried out to verify potentially anomalous situations (such as concentration by area or by type of risk) and to keep under control accumulation (with particular reference to policies covering accident and health risks). This is also carried out in order to provide suitable information for preparing the annual reinsurance plan.

Lastly, actuarial and demographic risks, typical of the Life business, arise when an unfavourable trend in the actual loss ratio is measured compared to the one estimated in the tariff construction and are reflected in the level of "reserves". The loss ratio refers not only to actuarial loss, but also to financial one (guaranteed interest rate risk). Each company operating in the Life business monitors these risks by means of systematic statistical analysis of the evolution of liabilities in its own contract portfolio, split by risk type, and through simulations of expected profitability of the assets hedging technical reserves.

The Insurance Group companies, pursuant to Article 1, letter r-bis of the Private Insurance Code as amended, adopt the "standard formula" for the calculation of the solvency capital requirement (Articles 45-quinquies to 45-undecies), with the additional use of company specific parameters for premium and reserve risk in the Non-life business. At Insurance Group level, the capital requirement is calculated by consolidating the data of the individual companies.
In carrying out the aforementioned calculation and in line with the reference regulations, the main elements of the requirement are defined as follow:

- underwriting risk, such as the risk of loss or adverse changes in the value of insurance liabilities due to inadequate assumptions regarding price setting (premium risk) or establishment of technical reserves;
- market risk, such as the risk of a loss or adverse change in financial position resulting, directly or indirectly, from fluctuations in the level and volatility of market prices of assets, liabilities and financial instruments;
- credit or counterparty risk, such as the risk of loss arising from counterparty default on deposits, derivatives and credit exposures;
- operational risk, such as the risk of loss deriving from the inadequacy or incorrect functioning of internal procedures, human resources or systems, or due to external events. As far as the financial losses component is concerned, the operational risk includes: legal and compliance risk, conduct risk, financial crime risk, IT and Cyber risk, physical security risk, business continuity risk, market reporting risk, third-party data quality risk, fraud risk, process risk and employer risk. Strategic and reputational risk are not included.

The table below summarises insurance liabilities (for which IFRS 17 principle is thus applied), both for direct and reinsurance business, gross of intercompany netting, broken down by product macro-type.

(millions of euro)

Concentration of underlying risks by product type	2025
Life	**130,765**
Multi-line	27,018
Separately managed account	77,690
Pure risk contracts	627
Unit-linked/Pension funds	25,430
Non-life	**1,753**
Motor	173
Non-Motor	1,580
Total	**132,518**

Below are the details of the breakdown by maturity of financial liabilities (measured in accordance with IFRS 9 principle) for the Life segment, before intercompany netting, represented by assets covering commitments arising under unit-linked policies, other insurance products (specifically, the "Risparmio Insurance" product) and subordinated liabilities:

(millions of euro)

Breakdown of financial liabilities by maturity	Within 12 months	Over 12 months	Total as at 31.12.2025	Total as at 31.12.2024
IFRS 9 payables to insured parties	60	50,085	50,145	453
Subordinated liabilities	-	1,865	1,865	1,350
Total	**60**	**51,950**	**52,010**	**1,803**

The following tables show the results of the sensitivity analysis using the main insurance risk parameters on the main balance sheet items. The impacts on the Contractual Service Margin (CSM) and, as a result, on the financial position and income statement are provided.

The analysis has identified the risk factors that the companies in the Insurance Group are exposed to, identifying the operational assumptions to be stressed, as follows:

– for the Life business:
  - increase of 10% in expense assumptions (Expenses +10%);
  - increase of 10% in lapse assumptions (Lapse +10%).
– for the Non-life business:
  - increase of 5% in assumptions linked to the claims (Loss Ratio +5%);
  - decrease of 5% in assumptions linked to the claims (Loss Ratio -5%).

With regard to the Life business, the impact of the various stressed scenarios was exclusively determined gross of reinsurance, as the effect of this is considered insignificant. Conversely, for the Non-life business, the results are shown gross and net of reinsurance.

(millions of euro)

Sensitivity analysis	31.12.2025		
	CSM Change [a]	Net income [b]	Shareholders' equity [b]
Life			
Expenses + 10%	-157	-13	-13
Lapse + 10%	-502	-20	-20

(a) Gross of tax
(b) Net of tax

(millions of euro)

Sensitivity analysis	31.12.2025					
	CSM Change [a]		Net income [b]		Shareholders' equity [b]	
	Gross [c]	Net [d]	Gross [c]	Net [d]	Gross [c]	Net [d]
Non-life						
Loss Ratio +5%	-13	-11	-3	-3	-3	-3
Loss Ratio -5%	13	13	2	2	2	2

(a) Gross of tax
(b) Net of tax
(c) Gross of reinsurance
(d) Net of reinsurance

3.2 FINANCIAL RISKS

QUALITATIVE AND QUANTITATIVE INFORMATION

These risks derive from the level or volatility of market prices of financial instruments that impact the balance sheet value of both assets and liabilities. The risk factors identified are as follows:
- interest rate risk: it impacts assets and liabilities whose value is sensitive to changes in the forward structure of interest rates or the volatility of interest rates;
- equity risk: it derives from the level or volatility of market prices of equities and impacts assets and liabilities whose value is sensitive to changes in equity prices;
- real estate risk: it derives from the level or volatility of market prices of real estate properties and impacts assets and liabilities sensitive to such variations;
- foreign exchange risk: it derives from changes in the level or volatility of foreign exchange rates;
- spread risk: it impacts assets and liabilities whose value is sensitive to adverse changes in credit spreads;
- concentration risk: reflects the risk of holding high percentages of financial assets of the same counterparty;
- liquidity risk: the risk that the company is not able to liquidate investments and other assets to settle its financial commitments at the time of their maturity.

Investment portfolios

The investments of the insurance companies of the Intesa Sanpaolo Group (Intesa Sanpaolo Assicurazioni, Intesa Sanpaolo Protezione and Fideuram Vita) are made with their shareholders' fund and to cover contractual obligations with customers. These refer to traditional adjustable Life insurance policies, unit-linked and index-linked policies, pension funds and Non-Life policies.
As at 31 December 2025, the investment portfolios of Group companies, recorded at book value, amounted to 187,056 million euro. Of these, a part amounting to 96,846 million euro relates to traditional revaluable life policies (the financial risk of which is shared with the policyholders by virtue of the mechanism whereby the returns on assets subject to segregated management are determined), non-life policies and shareholders' fund. The other component, whose risk is borne solely by the policyholders, consists of investments related to index-linked and unit-linked policies and pension funds and amounted to 90,210 million euro. Considering the various types of risks, the analysis of investment portfolios, described below, concentrates on the assets held to cover traditional revaluable life policies, non-life policies and shareholders' fund.

Financial assets under segregated funds and shareholder fund

In terms of breakdown by asset class, net of derivative financial instruments, 81.60% of assets, i.e. 79,030 million euro, were bonds, whereas assets subject to equity risk represented 3.32% of the total and amounted to 3,212 million euro. The remainder (14,603 million euro) consisted of investments relating to UCIs, Private Equity and Hedge Funds (15.08%). Of these, alternative investments amounted to 4,715 million euro and made up around 4.87% of the portfolio total.
The book value of derivatives amounted to around 0.1 million euro, of which around -23.9 million euro for derivatives classified as hedging instruments and around 24 million euro corresponding to derivatives used for effective risk management[385].
At the end of 2025, investments made with the shareholders' fund of Intesa Sanpaolo Assicurazioni and Fideuram Vita amounted to around 1,309 million euro at market value, and presented a risk, in terms of Value at Risk (VaR, 99% confidence level, 10-day holding period), of around 15 million euro.

[385] ISVAP Regulation 36 of 31 January 2011 on investments defines as "effective management derivatives" all derivatives aimed at achieving pre-established investment objectives in a faster, easier, more economical or more flexible manner than would have been possible acting on the underlying assets.

Interest rate risk exposure

The breakdown by maturity of bonds showed 5.92% short-term (under 1 year), 30.08% medium-term and 45.61% long-term (over 5 years).

(millions of euro)

Financial assets	Book value 31.12.2025	%	Duration	Book value 31.12.2024
Fixed-rate bonds	**66,597**	**68.76**	**6.33**	**66,345**
up to 1 year	5,313	5.49		6,616
1 to 5 years	24,243	25.02		23,286
over 5 years	37,041	38.25		36,443
Floating rate/indexed bonds	**12,433**	**12.84**	**5.74**	**12,282**
up to 1 year	413	0.43		271
1 to 5 years	4,890	5.05		3,840
over 5 years	7,130	7.36		8,171
TOTAL	**79,030**	**81.60**	**-**	**78,627**
Equities or similar capital securities	**3,212**	**3.32**		**2,064**
UCI, Private Equity, Hedge Fund	**14,603**	**15.08**		**12,271**
of which: Alternative investments	**4,715**	**4.87**		**4,721**
TOTAL	**96,845**	**100.00**		**92,962**

The modified duration of the bond portfolio, in other words the synthetic financial duration of the assets, is around 6 years.
The sensitivity of the fair value of the portfolio of financial assets to interest rate movements, summarised in the table below, highlights the exposure of the portfolio: for example, a parallel shift in the yield curve of +100 basis points leads to a negative fair value change in the bond portfolios of 4,484 million euro.

(millions of euro)

	Book value 31.12.2025	%	Fair value changes due to interest rate fluctuations		Book value 31.12.2024
			+100 bp	-100 bp	
Fixed-rate bonds	66,597	84.27	-3,880	4,348	66,345
Floating rate/indexed bonds	12,433	15.73	-604	692	12,282
Interest rate risk hedging effect	-	-	-	-	-
TOTAL	**79,030**	**100.00**	**-4,484**	**5,040**	**78,627**

In accordance with IFRS 17, the Intesa Sanpaolo Assicurazioni Group defined a methodology for calculating discount rates for the measurement of insurance contracts. (for details, see the indications in Part A.2 – Main financial statement captions). The table below summarises the discount rates applied by the various companies in the Insurance Group.

Discount rates	2025					2024				
	1 year	5 years	10 years	15 years	20 years	1 year	5 years	10 years	15 years	20 years
	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024
VFA	2.23%	2.62%	3.01%	3.28%	3.40%	2.73%	2.65%	2.82%	2.94%	2.91%
GMM/PAA	2.27%	2.66%	3.04%	3.31%	3.43%	2.63%	2.55%	2.72%	2.84%	2.81%

VFA – Variable Fee Approach
GMM – General Measurement Model
PAA – Premium Allocation Approach

The table below shows the results of the sensitivity analysis of interest rate risk on the CSM (Contractual Service Margin), on the statement of financial position and on the income statement.

The analysis in question identified the risk factors that the companies in the Intesa Sanpaolo Assicurazioni Group are exposed to, identifying the financial assumptions to be stressed for the Life business, as follows:
– parallel increase of the discount curve of 100 basis points (Interest Rate Up +100 basis points);
– parallel decrease of the discount curve of 100 basis points (Interest Rate Down -100 basis points).

(millions of euro)

Sensitivity analysis	31.12.2025		
	CSM Change [a]	Net income [b]	Shareholders' equity [b]
Life			
Interest Rate Up + 100 bps	-472	-27	-23
Interest Rate Down - 100 bps	392	21	18

(a) Gross of tax

(b) Net of tax

With regard to the Life business, the impact of the various stressed scenarios was exclusively determined before reinsurance, as the effect of this was deemed insignificant. For the Non-life business, the sensitivity to changes in the discount rate levels is deemed immaterial.

Credit risk exposure

The table below sets forth the distribution of the bond portfolio by rating class: AAA/AA bonds represented 2.57% of total investments and A bonds approximately 21.91%. Low investment grade securities (BBB) were 53.98% of the total, while the portion of speculative grade or unrated was minimal (3.14%).
With regard to exposure to BBB rated securities, the majority of the exposure related to bonds issued by the Republic of Italy.

(millions of euro)

Breakdown of financial assets by issuer rating	Book value 31.12.2025	%	Book value 31.12.2024
Bonds	**79,030**	**81.60**	**78,627**
AAA	737	0.76	943
AA	1,757	1.81	3,060
A	21,213	21.91	13,561
BBB	52,275	53.98	58,776
Speculative grade	1,989	2.05	1,570
Unrated	1,059	1.09	717
Equities or similar capital securities	**3,212**	**3.32**	**2,064**
UCI, Private Equity, Hedge Fund	**14,603**	**15.08**	**12,271**
of which: alternative investments	**4,715**	**5**	**4,721**
TOTAL	**96,845**	**100.00**	**92,962**

More specifically, the government bonds were concentrated mainly in Italian (43.80% of total investments), Spanish (2.09%), French (2.99%), German (0.12%) and US (0.02%) government bonds, while investments in other countries accounted for a residual share (5.85%).

(millions of euro)

Financial assets	Book value 31.12.2025	%	Book value 31.12.2024
Government bonds	***53,136***	***54.87***	***55,504***
Italy	42,418	43.80	46,709
Spain	2,017	2.09	2,099
France	2,899	2.99	1,745
Germany	113	0.12	156
USA	19	0.02	5
Other	5,670	5.85	4,790
Corporate bonds	***25,894***	***26.73***	***23,123***
Non financials and others	8,977	9.27	7,392
investment grade	*8,237*	*8.51*	*6,859*
sub investment grade	*740*	*0.76*	*533*
Financials	16,917	17.46	15,731
investment grade	*16,893*	*17.44*	*15,592*
sub investment grade	*24*	*0.02*	*139*
Total bonds	**79,030**	**81.60**	**78,627**
Equities or similar capital securities	**3,212**	**3.32**	**2,064**
Listed	3,109	3.21	1,935
Non listed	103	0.11	129
UCI and alternative investments	**14,603**	**15.08**	**12,271**
Alternative investment	4,715	4.87	4,721
UCI	9,888	10.21	7,550
TOTAL	**96,845**	**100.00**	**92,962**

The analysis of the exposure in terms of the issuers/counterparties produced the following results: securities issued by governments, central banks and other public entities made up 67.24% of the total investments, whereas the securities of corporate issuers contributed around 32.76%.

The sensitivity values of the fair value of the bonds with respect to a variation in the creditworthiness of the issuers, namely a market credit spread shock of ±100 basis points, as at end of 2025, are shown in the table below.

(millions of euro)

	Book value 31.12.2025	%	Fair value changes due to credit spread fluctuations		Book value 31.12.2024
			+100 bp	-100 bp	
Government bonds	53,136	67.24	-4,249	4,882	55,504
Corporate bonds	25,894	32.76	-928	897	23,123
TOTAL	**79,030**	**100.00**	**-5,177**	**5,779**	**78,627**

In addition, the amount of receivables arising out of direct insurance operations as at 31 December 2025 came to 481 million euro, which receivables arising from reinsurance operations came to around 65 million euro.

Below is the breakdown of the amount of exposure to credit risk of the companies in the Insurance Group for outstanding reinsurance contracts.

	Insurance Group
Asset for remaining coverage	65
Asset for incurred claims	87
Receivables arising from reinsurance contracts (Non-Life)	41
Total	**193**

Reinsurance coverage was finalised with leading market operators, who meet the requirements on capital and financial position outlined in the guidelines of each company, and in compliance with IVASS Regulation No. 38 of 3 July 2018 on corporate governance systems.

Equity risk exposure

The sensitivity of the equity portfolio to a hypothetical deterioration in equity prices of 10% amounts to -347 million euro, as shown in the table below.

(millions of euro)

	Book value 31.12.2025	%	Fair value changes due to stock price fluctuations	Book value 31.12.2024
			-10%	
Equities - Financial institutions	610	18.98	-71	371
Equities - Non-financial companies and other counterparties	2,602	81.02	-276	1,693
TOTAL	**3,212**	**100.00**	**-347**	**2,064**

Foreign exchange risk exposure

Approximately 98% of investments is made up of assets denominated in the EU currency. The residual exposure to foreign exchange risk was hedged by positions in derivative financial instruments, particularly forwards on BTPs, in the same currency.

Derivative financial instruments

Financial derivative instruments are used to hedge the financial risks of the investment portfolio or for effective management. The table below shows the book values of the financial derivative instruments as at 31 December 2025.

(millions of euro)

Type of underlying	DEBT SECURITIES/ INTEREST RATES		EQUITIES, EQUITY INDICES, COMMODITIES, EXCHANGE RATES		31.12.2025 TOTAL		31.12.2024 TOTAL	
	Quoted	Unquoted	Quoted	Unquoted	Quoted	Unquoted	Quoted	Unquoted
Hedging derivatives	-	-24	-	-	-	-24	-	-11
Effective management derivatives	-	-	27	-3	27	-3	30	-8
TOTAL	**-**	**-24**	**27**	**-3**	**27**	**-27**	**30**	**-19**

3.3 LIQUIDITY RISK

Liquidity risk is the risk of not being able to fulfil obligations to the insured and to other creditors, due to the impossibility of transforming investments into liquidity, or the difficulty in carrying out that transformation without depressing future profits or incurring significant economic losses. Therefore, the Insurance Group conducts its assessments and steers its management so that they are capable of reflecting the characteristics of its insurance obligations, favouring the diversification of assets and sound management.

Firstly, the run-off of future cash flows as at 31 December 2025, both discounted and undiscounted, is shown below, broken down into the Life and the Non-life business. For the Non-life business, this includes both the Liability for Remaining Coverage (LRC) and the Liability for Incurred Claims (LIC). For the Life business, instead, this includes the LRC, as the LIC is a certain amount waiting to be paid to the insured.

(millions of euro)

Analysis of maturities	Release of non-discounted cash flows 31.12.2025					
	up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	over 5 years
Insurance contracts						
Life	11,613	13,928	11,126	14,088	10,528	100,322
Non-life	436	129	66	46	35	161

(millions of euro)

Analysis of maturities	Release of discounted cash flows 31.12.2025					
	up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	over 5 years
Insurance contracts						
Life	11,543	13,491	10,501	12,898	9,378	62,783
Non-life	405	119	62	42	32	148

The Insurance Group considers the forecasts of the maturities of liability flows in the process of investing in assets, assessing coverage of maturities and opportunities for returns.

The Risk Appetite Framework and the ALM management process consider prudential limits both on observing the cash flow matching and using liquidity coverage ratio type indicators. Those controls and monitoring are carried out in line with the Solvency II supervisory framework.

To manage specific conditions of stress and lack of liquidity, a Contingency Funding Plan has been defined. The plan requires an Extraordinary Investment Committee meeting be called which, based on the type (e.g. turbulence on the markets in relation to an inefficient composition of assets) and the expected duration of the situation of tension (e.g. temporary vs. structural), will directly take action on the asset portfolio or propose additional possible actions.

The tables below show the breakdown by maturity of discounted and undiscounted net cash flows of insurance contracts issued and reinsurance contracts held that are liabilities, for the Life and Non-Life segments, in accordance with the requirements of IFRS 17. For the Life business, net cash flows relating to the PVFCF LRC as at 31 December 2025 are shown, split between the VFA business (insurance contracts issued with direct participation elements) and the GM business (insurance contracts issued without direct participation elements), while the row relating to reinsurance contracts held is empty because there were no ARC liability cash flows.

Net discounted cash flows from insurance contracts issued and reinsurance contracts held that are liabilities: breakdown by maturity

(millions of euro)

Type/Residual Maturity	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	Over 5 years	Total
Life Segment							
1. Insurance contracts issued with direct participation features	11,504	13,460	10,476	12,877	9,362	62,742	120,421
2. Investment contracts issued with discretionary participation features	-	-	-	-	-	-	-
3. Insurance contracts issued without direct participation features	39	31	25	21	16	41	173
4. Reinsurance contracts held	-	-	-	-	-	-	-
Non-Life Segment							
1. Insurance contracts issued	441	133	68	46	35	156	879
2. Reinsurance contracts held	-36	-14	-6	-4	-3	-8	-71

Net undiscounted cash flows from insurance contracts issued and reinsurance contracts held that are liabilities: breakdown by maturity

(millions of euro)

Type/Residual Maturity	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	Over 5 years	Total
Life Segment							
1. Insurance contracts issued with direct participation features	11,574	13,895	11,099	14,066	10,510	100,274	161,418
2. Investment contracts issued with discretionary participation features	-	-	-	-	-	-	-
3. Insurance contracts issued without direct participation features	39	33	27	22	18	48	187
4. Reinsurance contracts held	-	-	-	-	-	-	-
Non-Life Segment							
1. Insurance contracts issued	474	144	73	50	38	169	948
2. Reinsurance contracts held	-38	-15	-7	-4	-3	-8	-75

The table below provides details of the liquidity risk associated with insurance contracts issued and reinsurance contracts held that are liabilities and have surrender options or early termination clauses, in accordance with IFRS 17, paragraph 132, letter c). The amounts payable on demand are determined by considering the surrenderable amounts net of any penalties as at 31 December 2025. Investment contracts with discretionary participation features have been reclassified under insurance contracts issued with direct participation features, while no figures are shown for insurance contracts issued without direct participation features and for reinsurance contracts held as liabilities, because they are not present.

Insurance contracts issued and reinsurance contracts held that are liabilities with surrender options: amounts payable on demand and carrying amount

(millions of euro)

Type/Amounts	Amounts payable on demand	Carrying amount
1. Insurance contracts issued with direct participation features	123,317	129,626
2. Investment contracts issued with discretionary participation features	-	-
3. Insurance contracts issued without direct participation features	-	-
4. Reinsurance contracts held	-	-

A breakdown is provided below by contractual residual maturity of the financial assets and liabilities of the Insurance Group relevant to liquidity risk. The disclosure is prepared on the basis of undiscounted contractual cash flows and illustrates the Insurance Group's exposure to liquidity risk in relation to the different maturities of the financial assets and liabilities.

Breakdown by contractual residual maturity of financial assets and liabilities

(millions of euro)

Type/Residual Maturity	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	Between 5 and 10 years	Over 10 years	Unspecified maturity	Total
A. Cash assets	**5,727**	**6,925**	**6,606**	**7,975**	**7,626**	**25,858**	**18,313**	**17,815**	**96,845**
A.1 Connected with insurance contracts issued with direct participation features	**5,658**	**6,306**	**6,312**	**7,925**	**7,606**	**25,801**	**18,269**	**17,768**	**95,645**
A.1.1 Government bonds	3,932	2,075	3,100	5,076	4,162	18,144	16,108	-	52,597
A.1.2 Other debt securities	1,726	4,231	3,212	2,849	3,444	7,657	2,161	-	25,280
A.1.3 Other financial assets	-	-	-	-	-	-	-	17,768	17,768
A.2 Other cash assets	**69**	**619**	**294**	**50**	**20**	**57**	**44**	**47**	**1,200**
A.2.1 Government bonds	28	89	275	45	16	50	44	-	547
A.2.2 Other debt securities	41	530	19	5	4	7	-	-	606
A.2.3 Loans	-	-	-	-	-	-	-	-	-
A.2.4 Other financial assets	-	-	-	-	-	-	-	47	47
B. Cash liabilities	**-**	**1,509**	**-**	**-**	**597**	**981**	**-**	**-**	**3,087**
B.1 Equity instruments	-	-	-	-	-	-	-	-	-
B.2 Subordinated liabilities	-	609	-	-	597	981	-	-	2,187
B.3 Government bonds	-	-	-	-	-	-	-	-	-
B.4 Other financial liabilities	-	900	-	-	-	-	-	-	900
C.1 Financial Derivatives	**-**	**-**	**-**	**-**	**-**	**5**	**-29**	**24**	**-**
- Long positions	-	-	-	-	-	*5*	*25*	*32*	*62*
- Short positions	-	-	-	-	-	-	*54*	*8*	*62*
Total	**5,727**	**5,416**	**6,606**	**7,975**	**7,029**	**24,882**	**18,284**	**17,839**	**93,758**
- Long position	*5,727*	*6,925*	*6,606*	*7,975*	*7,626*	*25,863*	*18,338*	*17,847*	*96,907*
- Short position	-	*1,509*	-	-	*597*	*981*	*54*	*8*	*3,149*

Perpetual financial instruments and quotas of UCI with Level 1 fair value represent around 73% of the total under the "Other financial assets" captions in the table above.

SECTION 4 – RISKS OF OTHER COMPANIES

The risks of other companies are essentially concentrated:
– in the companies Romulus Funding Corp. and Duomo Funding Plc., included on the scope of consolidation pursuant to IFRS 10;
– in the Risanamento Group companies, consolidated for accounting purposes starting in 2015, but not subject to management and coordination.

THE VEHICLES ROMULUS FUNDING CORPORATION AND DUOMO FUNDING PLC

Qualitative and quantitative information

These two special-purpose vehicles are the Intesa Sanpaolo Group's asset-backed commercial paper conduits, established to support Intesa Sanpaolo's strategy of offering customers an alternative financing channel via access to the international asset-backed commercial paper market. The assets originated by European customers are purchased by Duomo, whereas Romulus is responsible for U.S. assets and fund-raising on the U.S. market through the issuance of asset-backed commercial paper. Nonetheless, due to the subsequent downgrading of Intesa Sanpaolo at the end of 2014, U.S. investors gradually divested without the vehicle being able to find new third-party investors with which to place the asset-backed commercial papers. The risks associated with these entities, and more specifically, the potential interest rate and exchange rate risks arising from the operations of the two companies, must be covered in accordance with the Intesa Sanpaolo Group policy for the management of these risks. Companies are not generally permitted to take foreign-exchange positions. As at 31 December 2025, the assets of Romulus included 3.8 billion euro in loans to the vehicle Duomo. Against those assets, the vehicle issued asset-backed commercial paper (ABCP) with a carrying amount of 3.8 billion euro, almost all of which has been subscribed by the Parent Company, Intesa Sanpaolo. With regard to the portfolio of the vehicle Duomo, at the end of 2025 this portfolio mainly consisted of securities of 6 billion euro.

The table below shows the information and figures for the above two vehicles as at 31 December 2025.

(millions of euro)

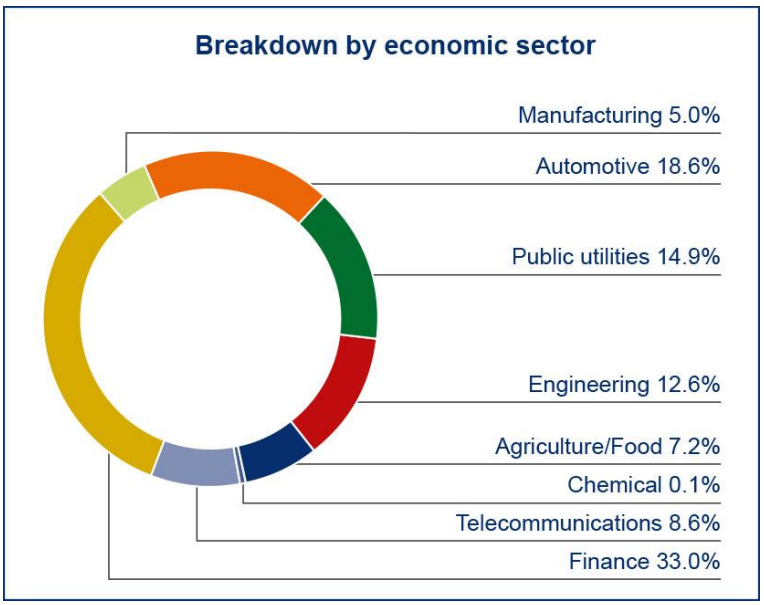
	Vehicle data		**Liquidity lines (2)**	**Guarantees given**		**Securities issued**	***of which: held by the Group***		
	Total assets	Cumulated losses		nature	amount	amount	*amount*	*Accounting classification*	*Valuation*
ROMULUS FUNDING CORP.	3,832 (1)	-	-		-	3,831	3,812	Fin. Ass. at amm. cost	Amortised cost
DUOMO FUNDING PLC	5,955	-	6,636		-	-	-	-	-

(1) Entirely made up of loans disbursed to Duomo for transactions booked in the financial statements of the vehicle.

(2) These are Fully Supporting Liquidity Facilities issued by the Parent Company Intesa Sanpaolo, of which 6,636 million euro is committed out of an amount granted of 15,000 million euro.

The total assets of the conduits Romulus and Duomo, net of dealings between the two vehicles, made up less than 1% of the total consolidated assets. The portfolio risk of the two vehicles consists of around 53.17% of trade receivables, with the remainder made up of consumer loans (11.96%), loans deriving from factoring and lease contracts (3.89%), mortgage loans (0.82%), loans to SMEs (11.34%), loans/lease contracts to pharmaceutical companies (0.25%), and auto loans and leases (18.57%). The eligible assets held by the vehicles are mainly expressed in euro (96.77% of the total portfolio). The remainder is broken down into British pounds (1.94%), US dollars (0.66%), Mexican pesos (0.31%), Polish zloty (0.17%), Swedish kroner (0.12%), Australian dollars (0.01%), Swiss francs (0.01%) and Danish kroner (0.01%).

The following information is provided concerning the portfolio of eligible assets.



With regard to the rating breakdown of the loan portfolio, 93.2% does not have a rating and the remaining 6.8% is rated above "A".

With reference to the geographical distribution of the assets held by the two vehicles, approximately 89.4% of the debtors are located in Italy.

RISANAMENTO GROUP

Qualitative and quantitative information

Intesa Sanpaolo holds a 48.88% interest in the share capital of Risanamento, a property and development company listed on the Italian Stock Exchange, originally focused on the renovation and development of the strategic metropolitan area of Milano Santa Giulia (MSG), located in the south-east of Milan. Although Risanamento is included in the Group's accounting scope of consolidation, Intesa Sanpaolo does not perform management and coordination activity over Risanamento S.p.A. and its subsidiaries pursuant to Article 2497 et seq. of the Italian Civil Code. Additionally, Risanamento is not part of the Intesa Sanpaolo Banking Group, because the business conducted by the company is not related to the banking sector.
As previously reported, during the second quarter of 2023, a structured transaction (the Starfighter Project) was carried out with Lendlease, a leading international operator in the infrastructure sector, for real estate development in the Milano Santa Giulia (MSG) area. Among other things, this transaction involved (i) the transfer of the surface rights relating to the MSG development initiative to an alternative investment fund (AIF) managed by Lendlease (the "MSG Heartbeat Fund"), together with the assumption by the Fund, with full release of the original debtor, of all of the Risanamento Group's debt due to Intesa Sanpaolo and the other lending institutions, and (ii) the subsequent offsetting of those liabilities by the Fund against the corresponding liabilities of Intesa Sanpaolo and the other lending institutions towards the Fund arising from their subscription of units in the Fund.
Lastly, the Risanamento Group maintained its commitment to completing the environmental remediation and infill work in the area, as well as carrying out the main urban infrastructure work relating to the MSG project.
During 2025, the Risanamento Group completed the environmental remediation and the urban infrastructure work (the Mecenate ring-road junction and Via Toledo) of the "Olympic Phase", which enabled the connection and use of the new Milano Santa Giulia Arena, used for several events of the Milan Cortina 2026 Winter Olympics.
On 30 October 2025, the Board of Directors of Risanamento approved the Group's interim statement as at 30 September 2025, which showed a consolidated net loss of 5.9 million euro, a positive consolidated net financial position of 27.9 million euro, and a negative consolidated shareholders' equity of around 0.8 million euro.
On 24 January 2026, Risanamento published its financial calendar for the 2025 financial year, setting 18 March 2026 as the date for the approval of the annual financial statements and the consolidated financial statements for the 2025 financial year. This date is after the date of 26 February 2026 when the Board of Directors of Intesa Sanpaolo approves the draft annual financial statements of the Parent Company and the consolidated financial statements for the year 2025.
Consequently, the data of the Risanamento Group as at 30 September 2025 was used for the contribution to the consolidated financial statements of Intesa Sanpaolo as at 31 December 2025, in accordance with IFRS 10, which stipulates that the difference between the date of the subsidiary's financial statements and that of the consolidated financial statements must not be more than three months.

Part F – Information on consolidated capital

SECTION 1 – CONSOLIDATED CAPITAL

A. Qualitative information

The control of capital adequacy both at consolidated level and at single entities level is ensured by capital management which defines the size and optimum combination of the different capital instruments in accordance with regulatory constraints and consistently with the risk exposure taken on by the Group.
The Intesa Sanpaolo Group assigns a primary role to the management and allocation of capital resources, considering this to be an instrument for strategic leverage, as well as a way to ensure consistency of the operating plans of the business units.
Once the Group's strategic profitability, capital strength and liquidity objectives have been defined, capital and financial resources are allocated to the business units through a process that evaluates their growth potential, capacity to generate value and financial autonomy.
The capital at risk considered is twofold:

- regulatory capital covering Pillar 1 risks;
- overall internal capital covering Pillar 2 risks, for ICAAP purposes.

Regulatory capital and overall internal capital differ from each other by definition and by their coverage of risk categories. The first arises from formats defined in supervisory provisions, the second from operational measurements.
Hence, the capital management activity comprises the management of current and prospective capital adequacy through careful control of both regulatory Pillar 1 constraints (in compliance with Basel 3 rules, effective from 1 January 2014) and operational Pillar 2 constraints. Projections are also produced under stress conditions in order to ensure that the available resources are adequate to cover all risks, even in adverse conditions. Furthermore, since 2013, the Group has been drawing up a Recovery Plan, in line with regulatory indications (directives "Bank Recovery and Resolution Directive – BRRD" - 2014/59/EU transposed in Italy through Legislative Decrees 180 and 181 on 16 November 2015 and "Bank Recovery and Resolution Directive – BRRD II" - Directive (UE) 2019/879, transposed into Italian law on 8 November 2021 by Legislative Decree 193, which entered into force on 1 December 2021), with international practice and in compliance with both the Group Risk Appetite Framework and the crisis management model adopted by the Bank.
As part of the process of defining budget targets, a projection compatibility analysis is conducted annually at Group level and at the level of individual entities in the Group. Depending on the expected performance of balance sheet and income statement aggregates, the appropriate capital management measures to ensure the required financial resources for the individual business units are already identified in this phase, if necessary. Compliance with the target levels of capitalisation is monitored on a quarterly basis, taking appropriate action when necessary.
Compliance with capital adequacy is sought via various levers, such as the dividend distribution policy, the definition of strategic finance operations (capital increases, issue of convertible loans and subordinated bonds, disposal of non-core assets, etc.) and the management of investments, particularly loans, on the basis of counterparty risk.
Further analyses for preliminary assessment of capital adequacy are performed during extraordinary operations (mergers, acquisitions, disposals, etc.) whether internal to the Group or changing the scope of consolidation of the Group.

Following the Supervisory Review and Evaluation Process (SREP), the ECB annually makes a final decision on the capital requirement that Intesa Sanpaolo must comply with at consolidated level.

On 10 December 2024, Intesa Sanpaolo announced that it had received the ECB's final decision concerning the capital requirement that the Bank has to meet, as of 1 January 2025.
The overall capital requirement to be met in terms of Common Equity Tier 1 ratio is currently 9.88%[386].
This is the result of:

- the SREP requirement in terms of Total Capital ratio of 9.50% comprising a minimum Pillar 1 capital requirement of 8%, of which 4.5% is CET1, and an additional Pillar 2 capital requirement of 1.50%, of which 0.84% is CET1 applying the regulatory amendment introduced by the ECB and effective from 12 March 2020[387];
- additional requirements, entirely in terms of Common Equity Tier 1 ratio, relating to:
  - A Capital Conservation Buffer of 2.5%;
  - an O-SII Buffer (Other Systemically Important Institutions Buffer) of 1.25%;
  - a Countercyclical Capital Buffer of 0.36%[388];
  - Systemic Risk Buffer of 0.43%[389].

[386] Fully loaded capital requirement; at the reporting date (31 December 2025), the ratio stood at 9.83%.
[387] The regulatory change establishes that the capital instruments not qualifying as Common Equity Tier 1 may be partially used to meet the Pillar 2 requirement.
[388] Countercyclical Capital Buffer calculated taking into account the exposure as at 31 December 2025 in the various countries where the Group has a presence, as well as the respective requirements set by the competent national authorities and relating to 2027, where available, or the most recent update of the reference period (requirement was set at zero per cent in Italy for 2025 and the first quarter of 2026).
[389] The Systemic Risk Buffer is calculated taking into account the exposure as at 31 December 2025 to residents in Italy.

On 31 October 2025, Intesa Sanpaolo announced that it had received the ECB's final decision concerning the capital requirement that the Bank has to meet, as of 1 January 2026.
The overall capital requirement the Bank has to meet in terms of Common Equity Tier 1 ratio is 9.97%.
This is the result of:
– the SREP requirement in terms of Total Capital ratio of 9.65% comprising a minimum Pillar 1 capital requirement of 8%, of which 4.5% is CET1, and an additional Pillar 2 capital requirement of 1.65%, of which 0.93% is CET1 applying the regulatory amendment introduced by the ECB and effective from 12 March 2020;
– additional requirements, entirely in terms of Common Equity Tier 1 ratio, unchanged on that previously illustrated.

On 19 June 2024, Regulation (EU) 2024/1623 (also known as CRR3) which, in transposing the principles of Basel IV into European law, amending Regulation (EU) 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor was published in the Official Journal of the European Union. The most significant changes in the new regulatory framework have been applied since 1 January 2025, save for the provisions on the FRTB (Fundamental Review of Trading Book) framework relating to Market Risk, which will, instead, apply from 1 January 2027, as provided by Delegated Regulation (EU) 2025/1496.

As previously reported in Part E to these Notes to the consolidated financial statements, to which reference is made for details, as regards the scope of application of internal models relating to credit risk, compared to 31 December 2024, the ECB authorisations to use the new Large Corporate rating model (February 2025), the Corporate, Retail SME and PD Exclusive Non-recourse Factoring models (August 2025) and the Institutions models (November 2025) for regulatory purposes were implemented.
With regard to counterparty risk, since the first quarter of 2025, the entry into force of the "Basel 4" regulations gave rise to a review of the credit weightings of counterparties in derivatives and SFTs. Additionally, the necessary developments for implementing the new CVA risk framework established by the regulation have been completed.
Regarding the application of the internal model for calculating exposure, there were no changes compared to 31 December 2024.
For operational risks, the new CRR3/Basel 4 regulatory framework altered the methodology for calculating the prudential capital requirement, eliminating the possibility of using internal models (the AMA, used up to 31 December 2024) and introducing a new, single standardised calculation method, referred to as the Standardised Approach (SA).
Under the new rules, inspired by more prudent criteria and aimed at ensuring greater uniformity among European financial institutions, the capital requirement is determined in line with the size of business activities (Business Indicator – BI), primarily using FINREP items (averaged over the previous three years), weighted with regulatory coefficients by band. The methodology also requires the inclusion of the duly reconciled accounting impact of the operational losses over the three-year period.

With effect from 30 September 2019, following permission from the ECB, the Intesa Sanpaolo Group calculates capital ratios applying the so-called Danish Compromise, under which insurance investments, held indirectly through Intesa Sanpaolo Assicurazioni, are risk weighted instead of being deducted from capital.

Since December 2020, the Intesa Sanpaolo Group has applied Delegated Regulation (EU) 2020/2176 on the deduction of software assets from Common Equity Tier 1 items, which introduced the criterion of prudential amortisation applied to all software assets over a period of three years (regardless of their estimated useful life for accounting purposes). Specifically, the difference, if positive, between the prudential accumulated amortisation and the accounting accumulated amortisation (including impairment losses) is fully deducted from CET1 capital, while the remaining portion (the portion of the net carrying amount of each software asset that is not deducted) is included in the RWAs with a risk weight of 100%.

In addition, with regard to the regulatory provisions of Article 3 of the CRR ("Application of stricter requirements by institutions"), the voluntary deduction from CET1 relating to the calendar provisioning on exposures included in the Pillar 2 scope is included for the purposes of the calculation of Own funds as at 31 December 2025.[390]

[390] The addendum to the ECB Guidance on non-performing loans of 2018 contemplates the possibility that banks "deduct" on their own initiative specific amounts from CET1, to anticipate supervisory requests, in the event of divergence between the prudential framework, which expects adjustments not based on credit risk measurement criteria, and the accounting framework.

B. Quantitative information

B.1. Consolidated book shareholders' equity: breakdown by type of company

(millions of euro)

Balance sheet captions	Prudential consolidation	Insurance companies	Other companies	Netting and adjustments on consolidation	TOTAL	*of which minority interests*
1. Share capital	**10,453**	**-**	**23**	**-1**	**10,475**	***106***
2. Share premium reserves	**24,314**	**-**	**-**	**-**	**24,314**	***35***
3. Reserves	**18,737**	**320**	**-1,036**	**695**	**18,716**	***177***
3.5 (Interim dividend)	**-3,234**	**-**	**-**	**-**	**-3,234**	**-**
4. Equity instruments	**7,704**	**-**	**-**	**-**	**7,704**	-
5. (Treasury shares)	**-241**	**-6**	**-**	**6**	**-241**	*-1*
6. Valuation reserves:	**-1,697**	**-373**	**102**	**271**	**-1,697**	***-185***
- Equities designated at fair value through other comprehensive income	-208	-	-	-	-208	-
- Hedges of equities designated at fair value through other comprehensive income	1	-	-	-	1	-
- Financial assets (other than equities) measured at fair value through other comprehensive income	-1,074	-2,019	-	-	-3,093	*9*
- Property and equipment	1,824	1	37	-	1,862	*13*
- Intangible assets	-	-	-	-	-	-
- Hedges of foreign investments	-29	-	-	-	-29	-
- Cash flow hedges	-117	49	-	-	-68	-
- Hedging instruments (non-designated items)	-	-	-	-	-	-
- Foreign exchange differences	-1,753	-	62	-	-1,691	*-205*
- Non-current assets held for sale and discontinued operations	-	-	-	-	-	-
- Financial liabilities designated at fair value through profit or loss (changes in own credit rating)	-229	-	-	-	-229	-
- Actuarial gains (losses) on defined benefit plans	-149	-	-	-	-149	*-2*
- Share of valuation reserves connected with investments carried at equity	-275	-	3	271	-1	-
- Finance income or expenses from insurance contracts issued	-	1,592	-	-	1,592	-
- Finance income or expenses from reinsurance contracts held	-	4	-	-	4	-
- Legally-required revaluations	312	-	-	-	312	-
7. Parent company's net income (loss) and minority interest (+/-)	**9,343**	**922**	**-292**	**-632**	**9,341**	***20***
Shareholders' equity	**65,379**	**863**	**-1,203**	**339**	**65,378**	**152**

The table above indicates the components of net book value, adding those of the Group to those of third parties, broken down by the type of consolidated company. In further detail, the column for Prudential Consolidation indicates the amount resulting from the consolidation of the companies belonging to such group, gross of the effects on the income statement of transactions with other companies within the scope of consolidation. Subsidiaries other than those belonging to the Banking group and consolidated on a line-by-line basis are stated at equity. The columns Insurance companies and Other companies contain the amounts resulting from consolidation, gross of the effects on the income statement of transactions with companies belonging to the Banking group. The column Netting and Adjustments on consolidation shows the adjustments required to obtain the figure presented in the financial statements.

B.2. Valuation reserves of financial assets measured at fair value through other comprehensive income: breakdown

(millions of euro)

	Banking group		Insurance companies		Other companies		Netting and adjustments on consolidation		TOTAL	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	871	-3,960	572	-2,591	-	-	-572	2,591	871	-3,960
2. Equities	146	-354	-	-	-	-	-	-	146	-354
3. Loans	17	-21	-	-	-	-	-	-	17	-21
Total as at 31.12.2025	**1,034**	**-4,335**	**572**	**-2,591**	**-**	**-**	**-572**	**2,591**	**1,034**	**-4,335**
Total as at 31.12.2024	**846**	**-5,185**	**568**	**-2,680**	**-**	**-**	**-568**	**2,680**	**846**	**-5,185**

The reserve for debt securities attributable to insurance companies (negative 2,019 million euro) is to be considered in conjunction with the valuation reserve “Finance income or expenses from insurance contracts issued” (positive 1,592 million euro), which includes the effect of the mirroring mechanism introduced by IFRS 17, whereby the financial result is attributed to policyholders.

The reserve on equities classified as level 1 is negative for about 209 million euro.

The caption Loans include includes the reserve for tax credits of the HTCS business model.

B.3. Valuation reserves of financial assets measured at fair value through other comprehensive income: annual changes

(millions of euro)

	Debt securities	Equities	Loans
1. Opening balance	**-4,062**	**-269**	**-8**
2. Increases	**2,412**	**153**	**29**
2.1. Fair value increases	2,156	140	21
2.2. Adjustments for credit risk	11	X	7
2.3. Reversal to the income statement of negative reserves from disposal	207	X	-
2.4. Transfer to other shareholders' equity items (equities)	-	10	-
2.5. Other increases	38	3	1
3. Decreases	**-1,439**	**-92**	**-25**
3.1. Fair value decreases	-1,125	-29	-24
3.2. Recoveries for credit risk	-12	-	-1
3.3. Reversal to the income statement of positive reserves from disposal	-259	X	-
3.4. Transfer to other shareholders' equity items (equities)	-	-11	-
3.5. Other decreases	-43	-52	-
4. Final balance	**-3,089**	**-208**	**-4**

Trading on treasury shares

During the reporting year, Intesa Sanpaolo, under the shareholders’ resolution of 29 April 2025, and Group companies, under the specific authorisations of their respective competent corporate bodies, carried out the following transactions on parent company Intesa Sanpaolo shares:

Ordinary shares:		
Initial number	no.	64,170,671
Purchases	no.	424,872,279
subject to cancellation (buyback)	*no.*	*390,280,888*
Sales	no.	-426,998,620
subject to cancellation (buyback)	*no.*	*-390,280,888*
End-of-year number	no.	62,044,330

B.4. Valuation reserves relating to the defined benefit plans: annual changes

During the year, the reserves at issue recorded an increase of 29 million euro. Therefore, as at 31 December 2025 there was an overall negative reserve equal to approximately 149 million euro for defined benefit plans.

SECTION 2 – OWN FUNDS AND CAPITAL RATIOS FOR BANKS

Reference is made to the “Basel 3 Pillar 3” public disclosure as at 31 December 2025 for the disclosure on own funds and capital adequacy.

Part G – Business combinations

SECTION 1 – TRANSACTIONS CARRIED OUT IN THE YEAR

1.1 Business combinations

(millions of euro)

Companies	Date of the transaction (a)	Cost of the transaction	Equity stake %	Net interest and other banking income (b)	Net income / loss for the year (c)	Net income / loss recorded as of acquisition date (d)
1. Business Line of Cronos Vita	1-Oct-25	69	n.a.	n.a.	n.a.	n.a.

(a) Date of acquisition of control.

(b) Net interest and other banking income for the entire 2025 financial year

(c) Profit/Loss recorded by the entity for the entire 2024 financial year.

(d) Profit/Loss recorded by the entity after the acquisition date and included in the consolidated result of the Intesa Sanpaolo Group.

In addition to the sole business combination accounted for pursuant to IFRS 3, presented in the previous table, several extraordinary intragroup transactions were carried out during the year, which had no effects on the consolidated financial statements. Such transactions, which are scoped out of IFRS 3, involved the transfer of business lines or legal entities between Intesa Sanpaolo Group companies or business combinations (under common control). Since the transfers were carried out for reorganisation purposes only, in accordance with the Group's accounting policy, these transactions were simply recorded applying book value accounting, without recognition of any economic effect. The main intragroup transactions completed during the year concerned:

– the merger by incorporation of Epsilon SGR S.p.A. into Eurizon Capital SGR S.p.A.;
– the sale of 100% of the investment held by Intesa Sanpaolo in the holding Private Equity International S.A. to Intesa Sanpaolo Holding International S.A.;
– the full demerger of Fideuram Asset Management SGR S.p.A. (previously wholly-owned by Fideuram – Intesa Sanpaolo Private Banking S.p.A.) into Eurizon Capital SGR S.p.A. and into Fideuram – Intesa Sanpaolo Private Banking S.p.A.;
– the cross-border merger of Intesa Sanpaolo Bank Ireland PLC (wholly-owned by Intesa Sanpaolo) into Intesa Sanpaolo Bank Luxembourg S.A., a company wholly-owned by Intesa Sanpaolo Holding International S.A. (ISHI);
– the cross-border merger of Eurizon Capital S.A. (headquartered in Luxembourg) into Eurizon Capital SGR S.p.A.;
– the merger by incorporation of First Bank S.A. (previously 99.98%-owned by Intesa Sanpaolo) into Intesa Sanpaolo Romania S.A.;
– the merger by incorporation of Società Benefit Cimarosa 1 S.p.A. (previously wholly-owned by Intesa Sanpaolo) into Immit – Immobili Italiani S.r.l.

Annual changes in goodwill

(millions of euro)

	31.12.2025
Initial goodwill	**3,697**
Increases	**2**
- Goodwill recorded in the year	-
- Positive foreign exchange differences and other changes	2
Decreases	**-**
- Impairment recorded in the year	-
- Disinvestments	-
- Negative foreign exchange differences	-
Final Goodwill	**3,699**

Goodwill

(millions of euro)

CGUs/Goodwill	31.12.2025	31.12.2024
Banca dei Territori	-	-
IMI Corporate & Investment Banking	56	56
Insurance	1,007	1,007
Asset Management	1,060	1,061
Private Banking	1,576	1,573
International Banks	-	-
Bank of Alexandria (Egypt)	-	-
Pravex Bank (Ukraine)	-	-
Total	**3,699**	**3,697**

1.2 Other information

Acquisition of the business unit of Cronos Vita as part of the system-wide intervention in favour of customers of Eurovita

During 2023 an agreement was reached on a system-wide transaction to ensure the full protection of rights of policyholders of Eurovita and restore as soon as possible the ordinary course of insurance relations in force, among the five leading Italian insurance companies (including Intesa Sanpaolo Assicurazioni), twenty-five distributor banks of Eurovita's policies (including Fideuram – Intesa Sanpaolo Private Banking) and some of Italy's leading banks (including Intesa Sanpaolo).

The agreements reached provided for, *inter alia,* the sale, at a symbolic price, of the business line comprising almost all of Eurovita's assets to a newco called Cronos Vita, whose capital was held by Intesa Sanpaolo Assicurazioni, Generali Italia, Poste Vita and UnipolSai, in the amount of 22.5% each and Allianz in the amount of the remaining 10%, through a dedicated capital increase to provide Cronos Vita with the capital deemed necessary for operating the business line from Eurovita.

The agreements reached by the parties attributed to Cronos Vita the nature of a "bridge" vehicle, as the transaction already provided, since the time of the company's incorporation, for the transfer, by a specified date, of five business lines forming part of the overall business unit sold by Eurovita to the shareholder insurance companies.

Thus, as set out in the original schedule defined by the parties, on 1 October 2025 the total non-proportional demerger of Cronos Vita to the five shareholder companies was finalised, with the resulting removal of Cronos Vita from the Company Register.

As regards the Intesa Sanpaolo Group, even though the investment in Cronos Vita was held by Intesa Sanpaolo Assicurazioni, the latter designated Fideuram Vita as the beneficiary of the demerger, as a result of the subscription of new shares issued by Fideuram Vita to serve the operation. As a result, on conclusion of the transactions, Fideuram Vita is 77.5%-owned by Intesa Sanpaolo, 19.4% by Fideuram – Intesa Sanpaolo Private Banking and 3.1% by Intesa Sanpaolo Assicurazioni.

As control of a specific business line, consisting of an insurance portfolio and additional related legal relationships, assets and liabilities, was acquired, in the Consolidated financial statements of the ISP Group the demerger qualified as a business combination in accordance with IFRS 3, with the consequent line-by-line consolidation of the acquired unit from the acquisition date and the simultaneous derecognition of the equity investment in Cronos Vita.

Accounting treatment of the business combination and Purchase Price Allocation (PPA) process
IFRS 3 sets out the principles and requirements for how an acquirer must recognise and account for a business combination. As control of a business line was acquired, the business combination was recognised according to the "acquisition method" envisaged by IFRS 3, based on which, at the acquisition date, the acquirer must allocate the cost of the business combination by recognising the assets, liabilities and potential liabilities of the acquired business line at their fair values at that date. Where the purchase price paid for the business combination is greater than the fair value of identifiable assets, liabilities and possible liabilities (including therein any intangible assets not previously recognised on the balance sheet of the acquired business line), the difference is to be recognised as goodwill. Whereas, if the fair value of the net identifiable assets of the acquired entity is greater than the purchase price paid, the resulting gain is to be recognised as negative goodwill in the income statement of the acquirer.
In this specific case - without prejudice to the identification of Fideuram Vita as the acquirer of the business unit, and 1 October 2025 as the acquisition date – the purchase price of the business combination was identified as the fair value of the equity investment held by Intesa Sanpaolo Assicurazioni in Cronos Vita, which is equal to the fair value of the business unit assigned to Fideuram Vita.

With the aid of an independent expert, the fair values of both Cronos Vita as a whole and of each business line demerged to the five insurance companies were determined, considering the assignment criteria agreed on by the parties and the stakes held by the shareholders in Cronos Vita. The fair value of the business units was defined based on the financial criterion of the Dividend Discount Model (DDM), using the expected cash flows that the business line may distribute, in terms of dividends and/or excess capital, using the income, equity, financial and regulatory provisions set out by the management of Cronos Vita, according to stand-alone assumptions, and assuming the business is managed with a run-off approach. Based on the analyses conducted, the fair value attributable to the business line assigned to Fideuram Vita - which, therefore, represents the purchase price of the business combination - was defined as 69 million euro. The positive difference of 19 million euro between the fair value of the business unit acquired, determined as above, and the carrying value of the equity investment in Cronos Vita (50 million euro) was allocated as income in the income statement for the year, as provided for by IFRS 3.

In line with that set out in IFRS 3, the purchase price was thus allocated to the asset and liability accounting captions of the business line expressed at fair value in accordance with the provisions of IFRS 9 and IFRS 17, which, in terms of net book value, also amounted to 50 million euro. In light of the planned run-off of the business unit, the entire excess - of 19 million euro - of the purchase price over the net assets of the business line expressed at fair value was allocated to a specific intangible asset with finite useful life, equal to 7 years, in line with the average duration of the policies of the business line, linked to the profit margins of the insurance products included in the acquired business unit. In compliance with the indications of IAS 12, the correlated deferred tax liability of 8 million euro was recorded. The gross value of the intangible asset was therefore 27 million euro and was fully allocated to the Insurance CGU.

SECTION 2 – TRANSACTIONS CARRIED OUT AFTER THE END OF THE YEAR

2.1 Business combinations
No business combinations within the scope of IFRS 3 have been undertaken since the end of 2025.

SECTION 3 – RETROSPECTIVE ADJUSTMENTS
No adjustments are recognised in the current year that relate to business combinations that occurred in previous reporting periods.

Part H – Transactions with related parties

A) TRANSACTIONS WITH RELATED PARTIES

1. Procedural features

The Board of Directors of Intesa Sanpaolo S.p.A. adopted, in compliance with the procedures set out by regulations, the Group Procedures regulating the conduct of Transactions with Related Parties of Intesa Sanpaolo S.p.A., Associated Entities of the Group and Relevant Parties pursuant to Art. 136 of the Consolidated Law on Banking.
These Procedures, most recently updated in December 2024, take into account both the rules issued by Consob, pursuant to Article 2391-bis of the Italian Civil Code, and the supervisory provisions introduced by the Bank of Italy on 12 December 2011 in terms of risk assets and conflicts of interest of banks and banking groups with respect to "Associated Entities", issued in accordance with Article 53, paragraphs 4 et seq. of the Consolidated Law on Banking and ICRC (Interdepartmental Committee for Credit and Savings) Resolution 277 of 29 July 2008, as well as the rules established by Article 136 of the Consolidated Law on Banking.

The Procedures apply to the entire Intesa Sanpaolo Group with respect to the following aspects:
– the criteria for identifying Related Parties and Associated Entities;
– the process of analysis, decision-making and information for corporate bodies in connection with transactions with Related Parties and Associated Entities;
– market disclosure for transactions with Related Parties;
– the prudential limits and periodic reporting obligations towards the Bank of Italy for at-risk assets in respect of Associated Entities;
– the rules governing organisational controls and safeguards;
– the general rules for disclosure and abstention about the management of the personal interests by management body members, employees and company staff, including other than Associated Entities.

Pursuant to the Procedures, the following are considered Related Parties of Intesa Sanpaolo: parties that exercise significant control or influence, subsidiaries and associates, joint ventures, pension funds of the Group, Management Body Members and Key Managers of Intesa Sanpaolo and their close family members and significant shareholdings.
The set of Associated Entities of the Group consists of the Associated Entities of each bank of the Group (including the Parent Company) and each monitored significant intermediary with own funds greater than 2% of the total of consolidated own funds. The following are considered to be Associated Entities for each bank or monitored significant intermediary of the Group: i) shareholders that exercise control, significant influence or that are required to request authorisation pursuant to Article 19 of the Consolidated Law on Banking or that may appoint a member of the management or strategic supervisory body and the relative corporate groups; ii) subsidiaries, associated companies subject to joint control and associates, as well as the companies they control, also jointly with others; iii) management body members and their relative close family members up to the second degree and significant shareholdings.

As a form of self-regulation, the Bank has extended the regulations on transactions with Related Parties, as well as on risk assets and conflicts of interest with Associated Entities to:
a) Intesa Sanpaolo shareholders and their groups that hold an equity investment in the share capital with voting rights of the Bank that exceeds the minimum threshold set out in regulations on the communication of significant equity investments in listed companies, calculated considering only shares owned or under management, as well as entities jointly controlled by them with others;
b) companies in which management body members of Intesa Sanpaolo or their close family members i) hold executive offices or the office of chair of the management body; ii) hold a qualifying equity investment equal to or exceeding 10% of the capital or voting rights of that entity, or a position of significant influence;
c) companies which the Group has notable investments in and financial links with, attributable to at least two of the following indicators:
    - the counterparty holds an equity investment in Intesa Sanpaolo's capital between 1% and the minimum threshold set out in regulations on the communication of significant equity investments in listed companies;
    - an entity of the Intesa Sanpaolo Group holds an equity investment in the counterparty exceeding 10% of the voting rights;
    - significant credit exposure of the Group to the counterparty.

This approach allows closer monitoring of transactions with the main entities in potential conflict of interest risk.

The Procedures set forth the assessment process that must be followed by the Parent Company and subsidiary companies when carrying out transactions with Related Parties of Intesa Sanpaolo, Associated Entities of the Group and Relevant Parties pursuant to Art. 136 of the Consolidated Law on Banking, to ensure appropriateness of the transactions. The Procedures also require detailed examination of the reasons and interests behind the transaction, their effects on financials and the terms of the transaction.

In line with the regulations implemented by Consob and by the Bank of Italy, a regime of full or partial exemptions from the application of the regulations is also envisaged.

With regard to the decision-making for transactions with Related Parties of Intesa Sanpaolo and Associated Entities of the Group, the procedure distinguishes between:
– transactions involving smaller amounts: with a value of less than or equal to 250 thousand euro for individuals and 1 million euro for persons other than natural persons (excluded from application of the regulations);
– less significant transactions: with a value higher than the small-amount thresholds (250 thousand euro for individuals and 1 million euro for persons other than natural persons) but lower than or equal to the most significant thresholds indicated below;
– most significant transactions: with a value higher than the threshold of 5% of the indicators defined by Consob and by the Bank of Italy (approximately 2.9 billion euro for the Intesa Sanpaolo Group);
– transactions attributed to the shareholders' meeting, in accordance with the law or with the Articles of Association.

The process for the approval of transactions with Related Parties of Intesa Sanpaolo and Associated Entities of the Group reserves an important role for the Committee for Transactions with Related Parties, which meets the independence requirements laid down in the Corporate Governance Code for Listed Companies and Article 148 of the Consolidated Law on Finance, as well as the independence requirements contemplated by applicable laws and regulations, including those specific to the banking sector (Ministerial Decree 169/2020). The Committee for Transactions with Related Parties can make use of independent experts, where considered appropriate, according to the degree of importance of the transaction, its specific economic or structural characteristics and the nature of the related party or associated entity.
For most significant transactions, the Committee must be promptly involved in the analysis and negotiation phases, receiving a complete and timely flow of information, with the right of the Committee to request additional information and make observations.
All transactions – that are not exempt based on the Procedures – undertaken by the Parent Company with one of its related parties or associated entities are subject to approval by the Board, after consulting the Committee for Transactions with Related Parties.
The Procedures set out specific controls in the event that a less significant or most significant transaction is approved in spite of a negative opinion of the Committee for Transactions with Related Parties.

Transactions undertaken by subsidiaries with Related Parties of Intesa Sanpaolo and Associated Entities of the Group must be approved by the Board of Directors of the subsidiaries concerned, subject to prior authorisation from the Parent Company released in accordance with the procedure described above.

The Procedures also define the general criteria for the information to be provided, at least quarterly – also pursuant to Article 150 of the Consolidated Law on Finance – to the directors and the control body regarding transactions with Related Parties and Associated Entities completed in the reference period by the Parent Company or by its subsidiaries. All of the above is aimed at providing a complete overview of the transactions of greater importance, as well as the volumes and the main features of all those delegated. Reports must include all transactions, even if exempt from the decision-making procedure, for amounts greater than the small-amount thresholds. Transactions of less significant importance in the form of intragroup loans and bank funding are excluded from this requirement (provided they do not regard a subsidiary with significant interests of another Related Party or Associated Entity and are not carried out at market or standard conditions). For ordinary intragroup less significant transactions carried out at market conditions, reporting is on an aggregate annual basis.

Transactions undertaken by Italian subsidiary banks with Related Parties and Associated Entities of the Group that have not been considered exempt must, subject to authorisation by the Parent Company, be approved by the relative Board of Directors, upon obtaining the opinion of a Committee of independent directors set up within the Board of Directors of the bank itself. Furthermore, specific reporting rules apply to transactions by the Bank's Bodies.

The Procedures also apply to transactions with Relevant Persons pursuant to Art. 136 of the Consolidated Law on Banking, which must be applied by all the Italian Banks of the Intesa Sanpaolo Group, including the Parent Company. This provision requires the adoption of a more thorough decision-making procedure (unanimous decision by the management body, excluding the vote of the interested member, and favourable vote of members of the control body) in order to allow the bank management body members to contract obligations, directly or indirectly, with the bank of which they act as management body members.
Furthermore, the requirements envisaged by the Italian Civil Code (Article 2391) and Article 53 of the Consolidated Law on Banking governing directors' personal interests are confirmed.
In particular, Article 2391 of the Italian Civil Code requires each Board Member to report every interest held, in his/her own name or on behalf of third parties, that may be significant in carrying out his/her management function, with reference to a specific transaction. In accordance with the abovementioned provision, the Board has jurisdiction over decisions regarding transactions – including those with Related Parties – in which the Managing Director possesses an interest on his/her own account or through a third party and must therefore abstain from the decision, entrusting the Board as per Article 2391 of the Italian Civil Code.
In addition, Article 53 of the Consolidated Law on Banking requires banks' directors to abstain from voting on resolutions where they have a conflict of interest on their own behalf or on behalf of third parties.
Finally, the Procedures set forth the documentation and disclosure requirements vis-a-vis competent authorities for information on loans provided to related parties by Group banks headquartered in a European Member State, as defined by the EU regulations (Article 88 of Directive 2013/36, as amended).

2. Information on balances with related parties

Receivable and payable balances with related parties as at 31 December 2025 within the consolidated accounts of the Intesa Sanpaolo Group – other than those intragroup consolidated intragroup – amount to a total that is insignificant compared to the size of the Group's capital base. Likewise, the weight of income and charges with related parties on consolidated operating margin is insignificant.

	31.12.2025	
	Amount (millions of euro)	Impact (%)
Total financial assets (1)	4,584	0.5
Total other assets (2)	44	0.1
Total financial liabilities (3)	1,517	0.2
Total other liabilities (4)	581	0.4

(1) Includes captions 10, 20, 30, 40 and 70 of balance sheet assets.

(2) Includes captions 50, 60, 80, 120 and 130 of balance sheet assets.

(3) Includes captions 10, 20 and 30 of balance sheet liabilities.

(4) Includes captions 40, 50, 70, 80, 90, 100 and 110 of balance sheet liabilities.

	31.12.2025	
	Amount (millions of euro)	Impact (%)
Total interest income	64	0.2
Total interest expense	22	0.2
Total fee and commission income	12	0.1
Total fee and commission expense	45	1.5
Total operating costs (1)	321	2.8

(1) Includes caption 190 of the income statement.

The table below reports the main terms of reference of transactions with each category of related party, as classified by IAS 24, net of operations with fully consolidated entities, with the category of Significant Shareholders of Intesa Sanpaolo and their corporate groups (subsidiaries also controlled jointly with others, parent companies and companies subject to joint control) with an equity investment with voting rights in the Bank greater than the minimum threshold set out in regulations on communications of significant shareholdings in listed companies calculated only based on shares owned or under management, as well as with the additional subjects included in the scope set as a form of self-regulation.
The following table does not show the impact of related party transactions on the Group's cash flows, as this was not significant. For greater clarity and in line with the reports sent to the Supervisory Authorities, note that the off-balance sheet items were detailed on two separate rows by grouping on one side the guarantees/commitments given and on the other the guarantees/commitments received. The first category also includes revocable commitments issued totalling 405 million euro.

(millions of euro)

	Subsidiaries not consolidated on a line-by-line basis	Companies subject to joint control and their subsidiaries	Associates and their subsidiaries	Board Members and General Managers, Key Managers and their related parties	Pension funds	TOTAL	Shareholders (*)	Companies which the Group has notable investments in and financial links with (**)	Other companies linked to Board Members and General Managers (***)
Cash and cash equivalents	-	-	-	-	-	-	-	-	-
Financial assets measured at fair value through profit or loss	1	-	9	-	-	10	16	99	-
a) financial assets held for trading	-	-	-	-	-	-	*9*	-	-
b) financial assets designated at fair value	*1*	-	-	-	-	*1*	-	-	-
c) other financial assets mandatorily measured at fair value	-	-	*9*	-	-	*9*	*7*	*99*	-
Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	436	-
Financial assets measured at amortised cost	5	599	587	11	-	1,202	-	85	-
a) due from banks	-	-	-	-	-	-	-	-	-
b) loans to customers	*5*	*599*	*587*	*11*	-	*1,202*	-	*85*	-
Other assets	3	1	40	-	-	44	-	-	-
Investments in associates and companies subject to joint control	129	108	2,499	-	-	2,736	-	-	-
Financial liabilities measured at amortised cost	17	269	821	25	39	1,171	77	261	1
a) due to banks	-	-	*8*	-	-	*8*	-	-	-
b) due to customers	*17*	*269*	*813*	*25*	*39*	*1,163*	*77*	*261*	*1*
Financial liabilities held for trading	-	-	-	-	-	-	-	-	-
Financial liabilities designated at fair value	-	-	-	7	-	7	-	-	-
Other financial liabilities	5	1	59	23	456	544	20	17	-
Guarantees and commitments given	168	108	255	2	-	533	43	104	-
Guarantees and commitments received	-	20	37	-	-	57	1	-	-

(*) As a result of self-regulation, shareholders and their groups that hold a stake in the share capital that exceeds the minimum threshold set out in regulations on the communication of significant shareholdings in listed companies, calculated considering only shares owned or under management, as well as entities jointly controlled by them.

(**) As a result of self-regulation, companies that meet the conditions of at least two of these indicators: i) the counterparty holds a stake in Intesa Sanpaolo's capital with an amount between 1% and the minimum threshold set out in regulations on the communication of significant shareholdings in listed companies; ii) an entity of the ISP Group holds a stake in the counterparty exceeding 10% of the voting rights; iii) significant credit exposure of the Group to the counterparty. Compared to the previous annual report, the amounts do not include the transactions with the JP Morgan Group, which is no longer included among relevant parties.

(***) As a result of self-regulation, companies in which management body members of Intesa Sanpaolo or their close family members i) hold executive offices or the office of chair of the management body; ii) hold a qualifying holding equal to or exceeding 10% of the capital or voting rights of that entity, or on which those persons may exercise a significant influence.

In the interest of completeness, the Group's most significant associates included in the category of related parties as defined by IAS 24 are: 1875 Finance Holding AG, Back2Bonis, Camfin S.p.A., Cassa di Risparmio di Fermo S.p.A., Digit'Ed Holding S.p.A., Efesto, Equiter S.p.A., FI.NAV Comparto A1 Crediti, Fondo Eleuteria, Fondo UTP Italia Comparto Crediti, Grenke Locazione S.r.l., Idea CCR (Corporate Credit Recovery) II Comparto Crediti, Intrum Italy S.p.A., Lendlease MSG Heartbeat, Neva First – FCC, Neva II, Penghua Fund Management Co. Ltd, Retail & Leisure Fund, Rexer S.p.A., RSCT Fund - Comparto Crediti, Tinexta Innovation Hub S.p.A, and UTP Restructuring Corporate.
The main joint ventures include: Mir Capital S.C.A. Sicar, Mooney Group S.p.A. and PBZ Croatia Osiguranje Public Limited for Company Compulsory Pension Fund Management.

3. Information on transactions with related parties

It is noted that transactions with fully consolidated intragroup related parties are not included in this document because they are netted at consolidated level.
For details of the transactions carried out by Intesa Sanpaolo S.p.A., see the information provided in Part H of Parent Company's Financial Statements.

Most significant transactions

During the year, the Intesa Sanpaolo Group did not carry out any transactions that qualified as non-ordinary "most significant transactions" and at non-market or non-standard conditions subject – in accordance with the Group Procedures regulating the conduct of Transactions with Related Parties of Intesa Sanpaolo S.p.A., Associated Entities of the Group and Relevant Parties pursuant to Article 136 of the Consolidated Law on Banking – to the obligation to publish a market disclosure document.

Please note that the most significant transactions in the period are those that exceeded the threshold of 5% of Own Funds at consolidated level or of the other indicators defined by the Consob regulation.

Other significant transactions

The transactions undertaken by the Intesa Sanpaolo Group with related parties generally fall within the scope of the Group's ordinary activities and are generally entered into at market conditions, based on considerations of mutual economic interest, in line with the internal procedures mentioned above.

Relations between the Intesa Sanpaolo Group and the board members and general managers, key managers, their close family members and entities they have significant investments in refer to the Group's normal business activities and are defined applying, where conditions recur, the terms reserved to all employees, in full respect and transparency of terms applied.

With respect to transactions with Shareholders – which hold equity investments in Intesa Sanpaolo S.p.A. with voting rights greater than the minimum threshold set out in regulations on communications of significant shareholdings in listed companies calculated solely based on shares owned or under management, and with other significant shareholders because of the significant shareholding or financial relationships present –including, in particular a commercial agreement between Intesa Sanpaolo Wealth Management and Blackrock Investment Management UK for the development of a digital platform to offer personalised services to customers.

With regard to the transactions with jointly-controlled subsidiaries or associates, as well as with significant investees due to the presence of important equity and financial ties, mention should be made of:
– the signing of commercial agreements with Mooney S.p.A. by Isybank S.p.A.;
– the updating by Isybank S.p.A. of the structure of financial relations with Mooney Group S.p.A.;
– the total non-proportional demerger of Cronos Vita Assicurazioni S.p.A. to various beneficiary insurance companies, including Fideuram Vita S.p.A.;
– the merger by incorporation of Società Benefit Cimarosa 1 S.p.A. into IMMIT Immobili Italiani S.r.l.;
– a commercial agreement between Intesa Sanpaolo Protezione S.p.A. and International Care Company S.p.A.

Other significant information

With regard to other transactions with related parties, the following were recorded:
– profits on disposal of equity investments attributable to Cronos Vita S.p.A. and Oro Italia Trading S.p.A. in Liquidation;
– adjustments to the interests in Intrum Italy S.p.A., Tinexta Innovation Hub S.p.A., Centai Institute S.p.A. and Destination Gusto S.r.l.

B) INFORMATION REGARDING COMPENSATION OF THE MEMBERS OF MANAGEMENT AND CONTROL BODIES AND KEY MANAGERS

The following table shows the amounts of the compensation paid in 2025 to the members of the Management and Control Bodies and the General Managers of the subsidiary companies, as well as the compensation paid to other Key Managers of the Parent Company who fall within the notion of "related party". This also includes the maximum amounts of the variable portion of remuneration which shall be paid in cash and/or shares of the Parent Company, based on the Group's remuneration and incentive policy, subject to the verification of achievement of the assigned targets and the decisions of the competent bodies of the Parent Company.

(millions of euro)

	MANAGEMENT BODIES/ CONTROL BODIES[1]		OTHER MANAGERS [2]		TOTAL as at 31.12.2025	
	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid
Short-term benefits [3]	19	15	69	56	88	71
Post-employment benefits [4]	-	-	7	7	7	7
Other long-term benefits [5]	-	-	13	-	13	-
Termination benefits [6]	-	-	-	-	-	-
Share-based payments [7]	-	-	32	-	32	-
Total	**19**	**15**	**121**	**63**	**140**	**78**

(1) Figures referring to 383 positions held at year-end. The table does not include approximately 1 million euro relating to 65 positions in the Boards of Directors (or similar bodies), as this was fully transferred to other Group Companies.

(2) Figures referring to 105 positions held at year-end. The table does not include approximately 9 million euro relating to 16 General Manager positions (or similar positions), as this was fully transferred to other Group Companies.

(3) Includes fixed and variable remuneration of Directors that may be treated as equivalent to labour cost and social security charges paid by the company for its employees.

(4) Includes company contribution to pension funds and provisions for employee termination indemnities pursuant to law and company regulations.

(5) Includes an estimate of provisions for employee seniority bonuses.

(6) Includes benefits due under the employment contract for termination of employment.

(7) Includes the cost referring to the variable portion of short-/long-term remuneration to be paid in Intesa Sanpaolo shares.

Detailed information on remuneration policies, pursuant to Art. 123-ter of the Consolidated Law on Finance, is published annually in the "Report on remuneration policy and compensation paid", which includes:

- the details of the remuneration paid to members of management and control bodies, to General Managers, and, in aggregate form, to other Key Managers;
- the details and the progress of the stock option plans for the members of the Management Body, General Managers and other Key Managers;
- the details and the progress of the incentive plans based on financial instruments other than stock options, in favour of the Managing Director and CEO and other Key Managers;
- the details of the monetary incentive plans in favour of the Managing Director and CEO and other Key Managers;
- the shares of the Parent Company and subsidiaries held by the members of the Management and Control bodies, Key Managers and other associated entities.

Part I – Share-based payments

A. QUALITATIVE INFORMATION

Description of share-based payments

Annual incentive plan based on financial instruments

The Supervisory Provisions regarding remuneration and incentive policies and practices in banks and in banking groups, issued on 30 March 2011 (now integrated in Circular 285 of the Bank of Italy) required, inter alia, that a portion of annual incentives paid to "Risk Takers" be granted through the assignment of financial instruments, over a multi-year time horizon. As a result, the Intesa Sanpaolo Group sets up annual incentive plans linked to performance. In fulfilment of these plans:

– with regard to the results for 2020, and in implementation of the Shareholders' Meeting resolution of 28 April 2021, on 13 and 14 September 2021 the Group totally purchased - through its IMI Corporate & Investment Banking Division, in charge of the programme execution - 20,000,000 Intesa Sanpaolo ordinary shares (representing approximately 0.10% of the share capital of the Parent Company) at an average purchase price of 2.391 euro per share, for a total value of 47,822,401 euro. In addition, the purchase programme has been implemented in service of the former UBI Banca Group's shared-based payment incentive system for Risk Takers in regard to 2020 and residual shares from the former UBI Banca Group's incentive systems for previous years, as well as to grant severance payments to Risk Takers upon early termination of employment, as envisaged by the Supervisory Provisions;
– with regard to the results for 2021, and in implementation of the Shareholders' Meeting resolution of 29 April 2022, from 12 to 14 September 2022 the Group totally purchased – through its IMI Corporate & Investment Banking Division, in charge of the programme execution – 46,216,652 Intesa Sanpaolo ordinary shares (representing approximately 0.24% of the share capital of the Parent Company[391]) at an average purchase price of 1.8932 euro per share, for a total value of 87,496,321.48 euro. In addition, the purchase programme has been implemented in service of the Privredna Banka Zagreb (PBZ) Group's shared-based payment incentive system in regard to 2021 and the residual portions in financial instruments from previous plans, the Long-Term Incentive Plans reserved for the Financial Advisors of the Networks of the Fideuram - Intesa Sanpaolo Private Banking Group, as well as to grant severance payments upon early termination of employment;
– with regard to the results for 2022, and in implementation of the Shareholders' Meeting resolution of 28 April 2023, from 11 to 13 September 2023 the Group totally purchased – through its IMI Corporate & Investment Banking Division, in charge of the programme execution – 32,000,000 Intesa Sanpaolo ordinary shares (representing approximately 0.18% of the share capital of the Parent Company) at an average purchase price of 2.4697 euro per share, for a total value of 79,031,462.67 euro. The purchase programme has also been implemented in service of the incentive systems of several subsidiaries (i.e. the 2022 Incentive System of the Private Banking Network belonging to the Italy Network of Intesa Sanpaolo Private Banking; the 2022 Incentive System of the Relationship Managers belonging to the International Commercial Networks of the Fideuram – Intesa Sanpaolo Private Banking Group; and the 2022 Incentive System of the non-employee Financial Advisors belonging to the Commercial Networks of the Fideuram – Intesa Sanpaolo Private Banking Group) and any payment of consideration granted in conjunction with early termination of employment (severance);
– with regard to the results for 2023, and in implementation of the Shareholders' Meeting resolution of 24 April 2024, from 9 to 11 September 2024 the Group totally purchased – through its IMI Corporate & Investment Banking Division, in charge of the programme execution – 21,000,000 Intesa Sanpaolo ordinary shares (representing approximately 0.11% of the share capital of the Parent Company) at an average purchase price of 3.7154 euro per share, for a total value of 78,023,430.57 euro. The purchase programme has also been implemented in service of the incentive systems of several subsidiaries (i.e. the 2023 Incentive System of the Private Banking Network belonging to the Italy Network of Intesa Sanpaolo Private Banking; the 2023 Incentive System of the Relationship Managers belonging to the International Commercial Networks of the Fideuram – Intesa Sanpaolo Private Banking Group; and the 2023 Incentive System of the non-employee Financial Advisors belonging to the Commercial Networks of the Fideuram – Intesa Sanpaolo Private Banking Group) and any payment of consideration granted in conjunction with early termination of employment (severance);
– with regard to the results for 2024, and in implementation of the Shareholders' Meeting resolution of 29 April 2025, from 8 to 15 September 2025 the Group totally purchased – through its IMI Corporate & Investment Banking Division, in charge of the programme execution – 23,800,000 Intesa Sanpaolo ordinary shares (representing approximately 0.13% of the share capital of the Parent Company) at an average purchase price of 5.4349 euro per share, for a total value of 129,350,330.52 euro. The buyback programme mainly serves the Intesa Sanpaolo Group's share-based incentive system for 2024, as well as, to a lesser extent, the incentive systems of certain subsidiaries (i.e. 2024 Incentive System for the Private Banking Network of the network in Italy of Intesa Sanpaolo Private Banking, the 2024 Incentive System for

[391] The percentage has been calculated, in compliance with the terms of the resolution approved at the Intesa Sanpaolo Shareholders' Meeting of 29 April 2022, on the 19,430,463,305 ordinary shares without nominal value composing the share capital of 10,084,445,147.92 euro before the execution, on 30 June 2022, of the capital increase under the 2022-2025 LECOIP 3.0 Long-term Incentive Plan based on financial instruments (which raised the share capital to 10,368,870,930.08 euro divided into 19,977,435,963 shares) and, then, the annulment of the own shares purchased in execution of the buyback programme disclosed to the market on 24 June 2022 and launched on 4 July 2022 (the share capital composition changed following the reduction in the number of its constituent shares, while its amount remained unchanged at 10,368,870,930.08 euro). The shares purchased represented around 0.24% of the share capital when considering the 19,267,277,397 constituent shares at the time of purchase.

Relationship Managers of the international commercial networks of the Fideuram – Intesa Sanpaolo Private Banking Group and the 2024 Incentive System of the non-employee Financial Advisors belonging to the commercial Networks of the Fideuram - Intesa Sanpaolo Private Banking Group) and, to a lesser extent, the completion of the implementation of the 2023 Intesa Sanpaolo Group Incentive Plans (i.e., the 2023 Incentive System of the Intesa Sanpaolo Group, as well as the 2023 Incentive System of the Private Banking Network in Italy of Intesa Sanpaolo Private Banking; that for Relationship Managers of the international commercial networks of the Fideuram – Intesa Sanpaolo Private Banking Group; and that of the non-employee Financial Advisors belonging to the Commercial Networks of the Fideuram – Intesa Sanpaolo Private Banking Group). Moreover, the programme is implemented in order to grant, severance payments upon early termination of employment.

The above Shareholders' Meetings also authorised the sale on the regulated market of any shares exceeding requirements, or their retention for any future incentive plans.
The above shares shall be assigned to the beneficiaries in compliance with the implementing regulations set forth in the above incentive systems. Generally, according to these regulations, the beneficiaries must remain in service up to the time the shares are actually delivered to them, and the deferred portion (either in cash or in financial instruments) of the incentive is subject to an ex post correction mechanism – the "malus condition" – according to which the relative amount paid and the number of shares assigned, if any, may be reduced by the level of achievement, in the year to which the deferred portion refers, of specific income statement-balance sheet targets which measure the sustainability of the results achieved over time.

Long-Term Incentive Plans 2022-2025: Performance Share Plan and LECOIP 3.0 Plan

At the time of launching the 2022-2025 Business Plan, two long-term incentive plans were launched targeting different clusters of employees:

– Performance Share Plan (PSP) reserved for the Group Management, including the Managing Director and CEO, the remaining Group Top Risk Takers and other Group Risk Takers (in Italy and abroad), which will be completed in March 2026;
– LECOIP 3.0 Plan reserved for all the Professionals employed by the Group in Italy, which will be completed in March 2026.

With regard to Management, Intesa Sanpaolo has adopted a plan specifically linked to the achievement of the Business Plan targets and with an adequate risk/return profile in respect of the role held and the levels of ambition and challenge of the Business Plan, and which envisages the adoption of Performance Shares as a financial instrument. Participation in the PSP was also offered until 31 December 2023 to newly hired managers and in the event of promotions to recognise career advancement.
In detail, the Performance Share Plan provides for the assignment of new Intesa Sanpaolo ordinary shares deriving from a capital increase without payment, upon achievement of key performance conditions of the Business Plan, subject to the application of de-multipliers based on sustainability targets, as well as subordinated to gateway conditions and individual access (compliance breach).
Any shares accrued will be paid out over a 4/5-year time horizon according to payout schedules established depending on the sub-cluster of the beneficiary, the amount of the total variable remuneration, and its weight compared to the fixed remuneration. The deferred portions are also subject to the verification of malus conditions, defined in a mirrored manner to the gateway conditions.
For Professionals, basically in line with the LECOIP 2.0 Plan, a retention plan called "LECOIP 3.0" has been structured with the aim of continuing the work of strengthening the personnel's identity and sense of belonging, consistently with the Group's inclusive organisational culture.
The LECOIP 3.0 Plan is assigned as certificates issued by JP Morgan, i.e. share-based financial instruments, and envisages:

– the assignment of newly issued ordinary shares of Intesa Sanpaolo deriving from a share capital increase without payment (Free Shares) for an amount equivalent to the Variable Result Bonus advance for 2022 (employees may opt to receive the advance in cash and, therefore, not to participate in LECOIP 3.0);
– the assignment, free of charge, of additional shares in exchange for the same share capital increase without payment (Matching Shares) based on the role held and seniority, and the subscription, in set proportions with respect to the free shares received, of newly issued ordinary Intesa Sanpaolo shares deriving from a share capital increase with payment reserved for employees, at a discounted issue price (Discounted Shares) against market value.

The Certificates reflect the terms of certain options that have Intesa Sanpaolo ordinary shares as their underlying instruments, and will allow employees to receive, at maturity, in the absence of trigger events, an amount in cash (or in Intesa Sanpaolo ordinary shares) that is equal to the original market value of the Free Shares and the Matching Shares, plus a portion of any appreciation, compared to the original market value, related to the amount of the Free Shares, Matching Shares and Discounted Shares.
In residual cases, the amount will be paid according to specific payout schedules that provide for deferral and payment of part of the bonus in financial instruments. These schedules are differentiated according to the cluster the beneficiaries belong to when the bonus is accrued, as well as the amount of the total variable remuneration, and its weight compared to the fixed remuneration.
The Performance Share Plan and the LECOIP 3.0 Plan were subject to the approval of the ordinary Shareholders' Meeting of 29 April 2022.
The extraordinary session of the Shareholders' Meeting resolved on granting a power of attorney to the Board of Directors to increase the share capital pursuant to Article 2443 of the Italian Civil Code, conducive to the implementation of the plans.
On 21 June 2022, ISP's Board of Directors exercised the authority granted to it by the Shareholders' Meeting for capital increases in favour of the Group's employees to service the implementation of the 2022-2025 LECOIP 3.0 Plan.
Both the long-term incentive plans in question (the Performance Share Plan and the LECOIP 3.0) fall within the scope of IFRS 2 and qualify as equity-settled share-based payment plans.
For the Performance Share Plan, the fair value of the equity instruments that are subject to the plan is calculated at the assignment date. The Plan envisages the presence of service and performance conditions, which must be considered in order to determine the number of shares for the measurement of the cost of the plan. These estimates will be subject to review during

the accrual period and until the expiry. Additionally, the determination of the fair value of the plan needs to take into account the presence of "market" performance conditions.
The cost of the plan, so defined, is attributed to the income statement (as labour costs) pro rata temporis along the accrual period of the benefit, as a balancing entry for a specific shareholders' equity reserve. Upon the occurrence of the events that imply the loss of the rights to the benefits of the plan (performance targets, gateway conditions and the discontinuation of employment) for the employees, if the estimate made previously needs to be adjusted, ISP changes the cost of the plan with a corresponding adjustment to Shareholders' Equity.
With regard to the LECOIP 3.0 Plan, at the assignment date, the fair value of the equity instruments that are subject to the plan were calculated (equivalent to the sum of the fair value of the shares assigned free of charge and the fair value of the discount for the paid shares) and no longer modified.
The Plan envisages the presence of non-market service and performance conditions (trigger events), which must be considered in order to determine the number of shares for the measurement of the cost of the plan. These estimates will be subject to review during the vesting period and until the expiry. The cost of the Plan, so defined, is attributed to the income statement (as labour costs) pro rata temporis along the period of accrual of the benefit, as a balancing entry for a specific shareholders' equity reserve.
Upon the occurrence of the events that imply the loss of the rights to the benefits of the LECOIP 3.0. Certificate (trigger events and the discontinuation of employment) for the employees, Intesa Sanpaolo recognises a financial asset (the "transferred receivable" representing the Certificates) as a balancing entry in Shareholders' Equity. In particular, the Certificates entered in the Group's financial statements are classified, in accordance with the provisions of IFRS 9, under caption 20.c) "Financial assets measured at fair value through profit or loss: Other financial assets mandatorily measured at fair value". At the same time, if the estimate made previously needs to be adjusted, the cost of the plan is changed with a corresponding adjustment to Shareholders' Equity.

B. QUANTITATIVE INFORMATION

Evolution of the annual incentive plans based on financial instruments in 2025

	Number of shares	Average strike price (euro)	Residual life
Financial instruments outstanding as at 31 December 2024	38,671,166	-	2025/2029
Financial instruments granted during the year (a)	19,405,906	-	2025/2030
Financial instruments no longer assignable (b)	188,671	-	-
Financial instruments vested during the year and assigned	23,840,660	-	-
Financial instruments outstanding as at 31 December 2025	34,047,741	-	2026/2030
of which: vested and assigned as at 31 December 2025	-	-	-

(a) Including the shares deriving from corporate transactions.

(b) Shares no longer deliverable to the beneficiaries following the related employment agreement ceasing and/or due to the application of the so-called malus conditions.

In addition to the shares specified above, in accordance with the Provisions of the Bank of Italy regarding remuneration and the Remuneration and Incentive Policies of the Group, during 2025, 1,205,491 shares were assigned with reference to remuneration granted in the event of early termination (severance). The retention period of those shares, assigned over a multi-year time horizon, ends between February 2026 and June 2030.

Breakdown by residual life

Residual life (a)	Number of shares
2026	5,948,473
2027	13,595,051
2028	8,581,126
2029	4,427,266
2030	1,495,825

(a) End of retention period

Evolution of long-term share-based instruments: Performance Share Plan (PSP) and LECOIP 3.0

	PERFORMANCE SHARE PLAN (PSP)			
	Number of Performance Share at 31.12.2024	Changes in the year (a)	Number of Performance Share at 31.12.2025	Fair value
Total beneficiaries (all the Management, including the Managing Director and CEO, the other Group Top Risk Takers and the remaining Group Risk Takers – both Italian and foreign perimeter)	145,846,099	-2,094,661	143,751,438	1.0124

(a) Number of assigned Performance Shares that will not be awarded to employees due to failure to meet the continuation of service or other vesting conditions.

	LECOIP PLAN 3.0												
	Free Shares at June 2022		Matching Shares at June 2022		Discounted Shares at June 2022		Sell to cover shares at June 2022 (a)		Total number of shares assigned at June 2022	Number of LECOIP Certificates at 31.12.2024	Changes in the year (c)	Number of LECOIP Certificates at 31.12.2025	Average fair value 31.12.2025
	Number of shares	Average unit fair value	Number of shares	Average unit fair value	Number of shares	Average unit fair value (b)	Number of shares	Average unit fair value (b)					
Total employees	33,745,462	1.7800	39,591,828	1.7800	386,972,658	0.3409	86,662,710	1.7800	546,972,658	70,165,360	-725,563	69,439,797	8.2350

(a) Assigned shares allocated to cover the payment relating to the employee's tax burden.

(b) Fair value of the subscription discount.

(c) Number of Certificates for which Intesa Sanpaolo shall take over the rights that would have been recognised to the employees by virtue of the Certificates due to failure to comply with the condition of continuation of employment for the duration of the Plan and other vesting conditions.

Part L – Segment reporting

Breakdown by business area: income statement figures[a]

(millions of euro)

	Banca dei Territori	IMI Corporate & Investment Banking	International Banks	Private Banking	Asset Management	Insurance	Corporate Centre (b)	Total
Net interest income	6,890	3,062	2,439	1,100	42	-	1,263	14,796
Net fee and commission income	5,161	1,318	738	2,247	966	4	-454	9,980
Income from insurance business	-	-	-	-	-	1,808	7	1,815
Profits (Losses) on financial assets and liabilities at fair value	201	444	149	80	2	-	-185	691
Other operating income (expenses)	2	-	-68	13	48	-6	-1	-12
Operating income	**12,254**	**4,824**	**3,258**	**3,440**	**1,058**	**1,806**	**630**	**27,270**
Personnel expenses	-3,381	-600	-735	-548	-121	-161	-1,473	-7,019
Administrative expenses (c)	-2,923	-937	-546	-423	-120	-190	2,111	-3,028
Adjustments to property, equipment and intangible assets	-2	-14	-132	-109	-10	-36	-1,150	-1,453
Operating costs	**-6,306**	**-1,551**	**-1,413**	**-1,080**	**-251**	**-387**	**-512**	**-11,500**
Operating margin	**5,948**	**3,273**	**1,845**	**2,360**	**807**	**1,419**	**118**	**15,770**
Net adjustments to loans	-1,476	-294	-34	-17	2	-	74	-1,745
Other net provisions and net impairment losses on other assets	-119	-67	-24	-32	1	-42	-109	-392
Other income (expenses)	51	123	-	-	-	-	-345	-171
Income (Loss) from discontinued operations	-	-	-	-	-	-	-	-
Gross income (loss)	**4,404**	**3,035**	**1,787**	**2,311**	**810**	**1,377**	**-262**	**13,462**
Taxes on income	-1,406	-957	-444	-645	138	-425	160	-3,579
Charges (net of tax) for integration and exit incentives	-145	-31	-67	-34	-8	-23	-45	-353
Effect of purchase price allocation (net of tax)	-15	-	1	-19	-4	14	-53	-76
Levies and other charges concerning the banking and insurance industry (net of tax)	-23	-	-34	-6	-	-48	-2	-113
Impairment (net of tax) of goodwill and other intangible assets	-	-	-	-	-	-	-	-
Minority interests	-	-	-3	18	-	-	-35	-20
Net income (loss) 2025	**2,815**	**2,047**	**1,240**	**1,625**	**936**	**895**	**-237**	**9,321**
Net income (loss) 2024	**2,352**	**1,566**	**1,146**	**1,462**	**579**	**1,150**	**411**	**8,666**

(a) Figures from the reclassified financial statements as described in the Report on operations.

(b) The Corporate Centre has been attributed the intersector netting.

(c) The administrative expenses of the Corporate Centre include charge backs by the Corporate Centre to the business units for pure services and guidance and control services.

In application of IFRS 15, in particular paragraphs 114 and 115, which require a breakdown of revenues from contracts with customers, the breakdown of fee and commission income and expense by business area is provided below.

(millions of euro)

Captions (a)	Banca dei Territori	IMI Corporate & Investment Banking	International Banks	Private Banking	Asset Management	Insurance	Corporate Centre (b)	Total
Guarantees given	108	340	48	4	-	-	-	500
Collection and payment services	454	137	237	7	-	-	7	842
Current accounts	1,095	32	168	10	-	-	-	1,305
Credit and debit cards	670	2	294	23	-	-	-	989
Commercial banking activities	**2,327**	**511**	**747**	**44**	**-**	**-**	**7**	**3,636**
Dealing and placement of securities	1,766	235	39	368	635	-	-1,367	1,676
Currency dealing	6	2	4	3	-	-	2	17
Portfolio management	89	-	57	2,207	1,947	-	-290	4,010
Distribution of insurance products	892	-	43	717	-	4	-4	1,652
Other	367	68	19	242	1	-	9	706
Management, dealing and consultancy activities	**3,120**	**305**	**162**	**3,537**	**2,583**	**4**	**-1,650**	**8,061**
Other net fee and commission income	**240**	**735**	**117**	**34**	**165**	**-**	**77**	**1,368**
Fee and commission income	**5,687**	**1,551**	**1,026**	**3,615**	**2,748**	**4**	**-1,566**	**13,065**
Fee and commission expense	**-526**	**-233**	**-288**	**-1,368**	**-1,782**	**-**	**1,112**	**-3,085**
Net fee and commission income 2025	**5,161**	**1,318**	**738**	**2,247**	**966**	**4**	**-454**	**9,980**
Net fee and commission income 2024	**4,881**	**1,286**	**648**	**2,094**	**895**	**4**	**-422**	**9,386**

(a) Figures from the reclassified financial statements as described in the Report on operations.

(b) The Corporate Centre has been attributed the intersector netting.

Breakdown by business area: balance sheet figures[(a)]

(millions of euro)

	Banca dei Territori	IMI Corporate & Investment Banking	International Banks	Private Banking	Asset Management	Insurance	Corporate Centre (b)	Total
Loans to customers								
31.12.2025	219,992	124,132	48,944	14,685	351	-	16,929	425,033
31.12.2024	221,231	126,059	45,255	14,022	254	-	14,691	421,512
Direct deposits from banking business								
31.12.2025	260,614	127,337	64,693	45,675	-	-	101,880	600,199
31.12.2024	258,772	125,194	60,922	47,921	15	-	91,684	584,508

(a) Figures from the reclassified financial statements as described in the Report on operations.

(b) The Corporate Centre has been attributed the intersector netting.

Breakdown by geographical area: income statement figures[(a)]

(millions of euro)

	Italy	Europe	Rest of the world	Total
Net interest income	11,033	2,902	861	14,796
Net fee and commission income	7,939	1,735	306	9,980
Income from insurance business	1,654	161	-	1,815
Profits (Losses) on financial assets and liabilities at fair value	506	194	-9	691
Other operating income (expenses)	-78	28	38	-12
Operating income	**21,054**	**5,020**	**1,196**	**27,270**
Personnel expenses	-5,914	-938	-167	-7,019
Administrative expenses	-2,376	-574	-78	-3,028
Adjustments to property, equipment and intangible assets	-1,258	-172	-23	-1,453
Operating costs	**-9,548**	**-1,684**	**-268**	**-11,500**
Operating margin	**11,506**	**3,336**	**928**	**15,770**
Net adjustments to loans	-1,607	-92	-46	-1,745
Other net provisions and net impairment losses on other assets	-369	2	-25	-392
Other income (expenses)	-171	-	-	-171
Income (Loss) from discontinued operations	-	-	-	-
Gross income (loss)	**9,359**	**3,246**	**857**	**13,462**
Taxes on income	-2,624	-756	-199	-3,579
Charges (net of tax) for integration and exit incentives	-283	-70	-	-353
Effect of purchase price allocation (net of tax)	-65	-11	-	-76
Levies and other charges concerning the banking and insurance industry (net of tax)	-76	-37	-	-113
Impairment (net of tax) of goodwill and other intangible assets	-	-	-	-
Minority interests	2	15	-37	-20
Net income (loss) 2025	**6,313**	**2,387**	**621**	**9,321**
Net income (loss) 2024	**5,485**	**2,525**	**656**	**8,666**

(a) Figures from the reclassified financial statements, as described in the Report on operations.

The groupings by geographical area are based on the location of the Group's constituent entities. The International Branches are reported with reference to the country where the branches are located. As far as taxes on income are concerned, since Intesa Sanpaolo did not apply the option for the scheme of income exemption for international branches (known as Branch exemption), these branches' income is also taxed in Italy. In compliance with applicable regulations, Intesa Sanpaolo also provides "Country by Country" disclosures which, in accordance with Bank of Italy rules, report net interest and other banking income, number of employees, profit or loss before tax, and taxes for the year for each country where the Group operates. The report can be viewed on the Intesa Sanpaolo Group website in the Governance section (or follow the link: https://group.intesasanpaolo.com/en/governance/risk-management/country-by-country-reporting).
In application of IFRS 15, in particular paragraphs 114 and 115, which require a breakdown of revenues from contracts with customers, the breakdown of fee and commission income and expense by geographical area is provided below.

(millions of euro)

	Italy	Europe	Rest of the world	Total
Fee and commission income				
2025	12,599	3,383	335	16,317
2024	12,062	3,256	304	15,622
Fee and commission expense				
2025	-4,660	-1,648	-29	-6,337
2024	-4,644	-1,558	-34	-6,236

(a) Figures from the reclassified financial statements, as described in the Report on operations.

Breakdown by geographical area: balance sheet figures[(a)]

(millions of euro)

	Italy	Europe	Rest of the world	Total
Loans to customers				
31.12.2025	328,097	73,062	23,874	425,033
31.12.2024	328,491	69,808	23,213	421,512
Direct deposits from banking business				
31.12.2025	505,791	86,953	7,455	600,199
31.12.2024	492,322	83,270	8,916	584,508

Breakdown by geographical area is carried out with reference to the location of Group entities.

(a) Figures from the reclassified financial statements, as described in the Report on operations.

Part M – Disclosure of leases

This section provides the information required by IFRS 16 that is not included in other parts of the financial statements, divided between lessee and lessor.

SECTION 1 - LESSEE

QUALITATIVE INFORMATION

The Intesa Sanpaolo Group essentially has real estate and car or other vehicle lease contracts in place. There are also other types of lease contracts, for residual amounts, relating to hardware and other assets.
As at 31 December 2025, there were 7,855 lease contracts (8,570 as at 31 December 2024), 4,074 of which (4,748 as at 31 December 2024) relating to real estate leases, for a total value of rights of use of 1,020 million euro (1,229 million euro as at 31 December 2024).

Real estate lease contracts include properties designated for use as offices or bank branches. These contracts, within Italy, normally have a term of more than 12 months and typically have renewal and termination options that can be exercised by the lessor and the lessee in accordance with the law or specific contractual provisions. These contracts usually do not include the option to purchase at the end of the lease or significant restoration costs for the companies. The lease contracts typically include an option for early release prior to the contractual maturity, and, in such cases, they do not impose any penalties on the Group. On the basis of the characteristics of the Italian lease contracts and the provisions of Law 392/1978, in the event of the signing of a new lease contract with a contractual term of six years and the option to automatically renew the contract after six years for another six years, the total term of the lease will be set at twelve years. This general rule is superseded if there are new elements or specific situations within the contract.
Within the international scope, contractual terms may vary according to local practice, while generally not exceeding a period of 5 years, subject to renewal. In the case of the international subsidiaries as well, these contracts do not provide for either an option to purchase at the end of the lease or significant restoration costs for the companies.

Contracts for vehicles are long-term rental contracts relating to the company fleet made available to employees (mixed use) or to the organisational structures of the individual companies. These contracts generally have a four-year term, with monthly payments, no renewal option and do not include the option to purchase the asset. The contract may be extended depending on the management of the car fleet and there may be a penalty in the event of early termination.

Lease contracts other than those relating to real estate and cars relate to hardware (131 contracts as at 31 December 2025, 84 as at 31 December 2024) and other residual contracts (212 as at 31 December 2025, 274 as at 31 December 2024) and are of immaterial amounts in relation to total property and equipment leased.

The amounts of the sale or leaseback transactions carried out in 2025 were insignificant.

Lastly, the Group makes use of the exemptions allowed by IFRS 16 for short-term leases (i.e. with a term of less than or equal to 12 months) or leases of low value assets (i.e. with a value of 5,000 euro or less).

QUANTITATIVE DISCLOSURES

Part B - Assets in the Notes to the Consolidated Financial Statements contains information on the rights of use acquired through leases (Table 9.1 - Property and equipment used in operations: breakdown of assets measured at cost and Table 9.4 - Investment property: breakdown of assets measured at fair value) and Part B - Liabilities contains information on the lease payables (Table 1.1 - Financial liabilities measured at amortised cost: breakdown of amounts due to banks and Table 1.2 - Financial liabilities measured at amortised cost: breakdown of amounts due to customers).
In particular, the rights of use acquired through leases amounted to 1,020 million euro (1,229 million euro as at 31 December 2024), of which 897 million euro relating to real estate leases (991 million euro as at 31 December 2024).
Lease payables amounted to 1,053 million euro (1,097 million euro as at 31 December 2024). See the abovementioned sections for more details.
Part C of the Notes to the consolidated financial statements contains information on the interest expense on lease payables and other charges connected to rights of use acquired through leases, and on the income from sub-leasing transactions. See the specific sections for more details.

The table below provides a breakdown of the amortisation and depreciation charges for assets consisting of the right of use among the various categories, in line with the disclosure of property and equipment/intangible assets.

(millions of euro)

Captions	31.12.2025	31.12.2024
Depreciation charges by asset class		
Property and equipment used in operations	**250**	**291**
a) buildings	186	188
b) furniture	3	13
c) electronic equipment	34	31
d) other	27	59
Property and equipment for investment	**-**	**-**
a) buildings	-	-
TOTAL	**250**	**291**

As at 31 December 2025, commitments for leases not yet commenced amounted to 18 million euro.
There is no other information that needs to be reported in addition to that already contained in this section.

SECTION 2 - LESSOR

QUALITATIVE INFORMATION

The Intesa Sanpaolo Group undertakes lease transactions, as lessor, primarily through the Parent Company, Intesa Sanpaolo, and various international subsidiaries, specifically PBZ Leasing, VUB Leasing, CIB Leasing and Intesa Leasing Beograd.
The transactions primarily consist of finance leases of real estate and industrial and commercial assets. The companies are also present on the market with lease products relating to capital goods, industrial vehicles, boats and pleasure craft. The risks associated with the ownership rights to the leased assets within Italy are managed through the compulsory subscription of an all-risk insurance policy, either offered through concessionary agreements or taken out directly by the customer with their insurer.
Operating leases refer to both real estate and vehicles and equipment.
The Notes to the consolidated financial statements report the following:
– finance leases (Part B, Assets: Table 4.1 - Financial assets measured at amortised cost: breakdown of amounts due from banks and Table 4.2 - Financial assets measured at amortised cost: breakdown of loans to customers);
– assets leased under operating leases contained in caption 90 Property and equipment and described in Part B, Assets (Table 9.4 - Investment property: breakdown of assets measured at fair value); this consists of real estate no longer used in operations by the Group, which is leased to third parties or held for possible appreciation in value.

Part C of the Notes to the consolidated financial statements contains information on interest income on finance leases and other income from finance and operating leases. See the specific sections for more details.

2. Finance leases

2.1. Breakdown by time bands of payments to be received and reconciliation with finance leases recorded as assets

This table provides the breakdown by time bands of lease payments to be received and the reconciliation between lease payments to be received and finance leases in accordance with IFRS 16, paragraph 94. In particular, the lease payments to be received, representing the sum of the minimum payments due as principal and interest, are shown net of the adjustment allowances and the unguaranteed residual value due to the lessor. The reconciliation with finance leases, shown in the financial statements under financial assets measured at amortised cost, is performed by subtracting the unearned finance income and adding the unguaranteed residual value.

(millions of euro)

Time bands	31.12.2025 Payments to be received	31.12.2024 Payments to be received
Up to 1 year	1,402	1,643
Between 1 and 2 years	1,168	1,337
Between 2 and 3 years	951	1,125
Between 3 and 4 years	716	888
Between 4 and 5 years	491	646
Over 5 years	995	1,382
Total lease payments to be received	**5,723**	**7,021**
Reconciliation with loans	-96	248
Not accrued gains (+)	860	1,357
Unguaranteed residual value (-)	-956	-1,109
Loans for leases	**5,819**	**6,773**

2.2. Other information

2.2.1 Classification of finance leases by type of leased asset

The table shows the classification of finance leases by credit quality (performing and non-performing) and by type of leased asset. The amounts are shown net of adjustments.

(millions of euro)

Finance leases	Performing exposures	Non-performing exposures
A. Real estate assets	**3,645**	**110**
B. Operating assets	**782**	**8**
C. Movable assets	**1,265**	**9**
- Motor vehicles	970	6
- Aircraft and rolling stock	146	-
- Other	149	3
D. Intangible assets	**-**	**-**
- Trademarks	-	-
- Software	-	-
- Other	-	-

2.2.2 Classification of assets under finance leases

The table below provides a breakdown by category of leased asset (not yet transferred to property and equipment) relating to lease receivables, net of adjustments.

(millions of euro)

	Unexercised assets	Assets withdrawn following termination	Other assets
A. Real estate assets	**-**	**4**	**3,751**
B. Operating assets	**-**	**-**	**790**
C. Movable assets	**92**	**-**	**1,182**
- Motor vehicles	77	-	899
- Aircraft and rolling stock	-	-	146
- Other	15	-	137
D. Intangible assets	**-**	**-**	**-**
- Trademarks	-	-	-
- Software	-	-	-
- Other	-	-	-
TOTAL	**92**	**4**	**5,723**

Unexercised assets are assets still held by customers, for which the repurchase option has not been exercised, related to positions that do not show any deterioration in credit quality. Assets withdrawn following termination relate to terminated contracts, where the customer has not yet been released from the contractual obligations, despite having returned the asset covered by the lease contract. The category "other assets" includes the assets underlying the other lease receivables not included in the previous columns.

3. Operating lease

3.1. Breakdown of payments to be received by time bands

This refers to lease instalments to be received for owned real estate assets.

(millions of euro)

Time bands	31.12.2025	31.12.2024
	Payments to be received for leases	Payments to be received for leases
Up to one year	11	45
Over one year up to 2 years	9	10
Over 2 years up to 3 years	13	9
Over 3 years up to 4 years	11	12
Over 4 years up to 5 years	28	11
For over 5 years	23	40
Total	**95**	**127**

3.2. Other information

There is no other information that needs to be reported in addition to that already contained in this section.

Certification of the Consolidated financial statements pursuant to Art. 154 bis of Legislative Decree 58/1998

1. The undersigned Carlo Messina (as Managing Director and CEO) and Elisabetta Stegher (as Manager responsible for preparing the Company's financial reports) of Intesa Sanpaolo, taking into account the provisions of Article 154-bis, par. 3 and 4 of Legislative Decree 58 of 24 February 1998, do hereby certify to:
   - the adequacy in relation to the Company's features and
   - the actual application of the administrative and accounting procedures employed to draw up the consolidated financial statements during 2025.

2. Verification of the appropriateness and effective application of the administrative and accounting procedures employed to draw up the consolidated financial statements as at 31 December 2025 was based on methods defined by Intesa Sanpaolo consistently with the COSO and – as to the IT component – COBIT models, which are internationally accepted frameworks for internal control systems[392].

3. The undersigned also certify that:

   3.1 The Consolidated financial statements as at 31 December 2025:
   - have been prepared in compliance with applicable international accounting standards recognised by the European Community pursuant to European Parliament and Council Regulation 1606/2002 of 19 July 2002;
   - correspond to the results of the books and accounts;
   - give a true and fair presentation of the assets, liabilities, profit or loss and financial position of the issuer and of the companies included in the scope of consolidation.

   3.2 The report on operations includes a fair review of the development and operating margin, as well as of the position of the issuer and the companies included in the consolidation, together with a description of the main risks and uncertainties that they face.

26 February 2026

Carlo Messina
Managing Director and CEO

Elisabetta Stegher
Manager responsible for preparing
the Company's financial reports

[392] The COSO Framework was prepared by the Committee of Sponsoring Organizations of the Treadway Commission, the U.S. organisation dedicated to improving the quality of financial reporting through ethical standards and an effective system for corporate governance and organisation. The COBIT Framework - Control OBjectives for IT and related technology is a set of rules prepared by the IT Governance Institute, the U.S. organisation whose aim is to define and improve the standards of corporate IT.

Certification of the Consolidated Sustainability Statement pursuant to Art. 154 bis of Legislative Decree 58/1998

The undersigned Carlo Messina (as Managing Director and CEO) and Elisabetta Stegher (as Manager responsible for preparing the Company's financial reports) of Intesa Sanpaolo, do hereby certify, pursuant to Article 154-bis, par. 5-ter, of Legislative Decree 58 of 24 February 1998, that the Consolidated Sustainability Statement included in the Report on operations has been prepared:

- in compliance with the reporting standards applied in accordance with Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Legislative Decree No. 125 of 6 September 2024;
- using the specifications adopted in accordance with Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

26 February 2026

Carlo Messina
Managing Director and CEO

Elisabetta Stegher
Manager responsible for preparing
the Company's financial reports

Independent Auditors' Report on the Consolidated financial statements

Shape the future
with confidence

EY S.p.A.
Via Meravigli, 12
20123 Milano

Tel: +39 02 722121
Fax: +39 02 722122037
ey.com

Independent auditor's report pursuant to article 14 of Legislative Decree no. 39, dated 27 January 2010 and article 10 of Regulation (EU) no. 537/2014

(Translation from the original Italian text)

To the Shareholders of
Intesa Sanpaolo S.p.A.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Intesa Sanpaolo Group (the "Group"), which comprise the consolidated balance sheet as at 31 December 2025, the consolidated income statement, the statement of consolidated comprehensive income, the changes in consolidated shareholders' equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS accounting standards issued by the International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing article 9 of Legislative Decree no. 38/2005 and article 43 of Legislative Decree no. 136/2015.

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 Intesa Sanpaolo S.p.A. (the "Bank") in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. 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 year. 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.

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
Sede Secondaria: Via Lombardia, 31 – 00187 Roma
Capitale Sociale Euro 3.000.000 i.v.
Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
Codice fiscale e numero di iscrizione 00434000584 - numero R.E.A. di Milano 606158 - P.IVA 00891231003
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We identified the following key audit matters:

Key Audit Matters	Audit Responses
Classification and measurement of loans to customers (loans) measured at amortised cost	
Loans to customers (loans) measured at amortised cost recorded in the financial assets, line item 40 b) (the "Loans"), amount to Euro 412,856 million as at 31 December 2025 and represent approximately 43.0% of total assets in the consolidated balance sheet. The breakdown of such loans is included in tables 4.2 and 4.3 in Part B, section 4, of the notes to the consolidated financial statements. The disclosure of the changes in the quality of the Loans, the classification and measurement criteria adopted is provided in the notes to the consolidated financial statements in Part A – Accounting policies, in Part B – Information on the consolidated balance sheet, in Part C – Information on the consolidated income statement and in Part E – Information on risks and relative hedging policies. The classification of the Loans in the appropriate stage and the related measurement are relevant for the audit both because the amount of such loans is significant to the financial statements as a whole and because they are determined by the Directors through the use of estimates. These estimates have a high degree of complexity and subjectivity, involve internally developed models and include subjective elements in order to identify and measure exposures that show evidence of a significant increase in credit risk since the date of initial recognition or evidence of impairment. The processes for the classification and the measurement of the Loans consider both internal and external information, including the historical performance of exposures and related collection histories, the borrowers' overall exposure to the banking system, expected cash flows and related estimated collection dates, the assessment of any guarantees, the impact	In relation to this matter, our audit procedures included, among others: - gaining an understanding of the policies, valuation models, processes and controls applied by the Group; - the assessment of the configuration and implementation of key controls, including those relating to the relevant IT applications, and the execution of tests of controls to test their operational effectiveness; - the analysis of the changes in the breakdown of the Loans compared to the previous year and the discussion of the results with management; - the performance of substantive procedures to verify, on a sample basis, the correct classification and measurement of credit exposures; - the verification, through the analysis of the supporting documentation, of the accounting treatment of disposal of non-performing loans'; - the assessment of the adequacy of the disclosures provided in the notes to the consolidated financial statements. The aforementioned procedures have been performed also with the support of our risk management, valuation, modelling and economics and information technology specialists.

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of macroeconomic variables, any emerging risks, and future scenarios also related to Loans' sales and risks of the Group's customers' operating sectors.

Classification and measurement of financial assets and liabilities at fair value on a recurring basis (levels 2 and 3)

Financial instruments measured at fair value on a recurring basis, classified as level 2 and level 3 of the fair value hierarchy, amount to a total assets balance of Euro 60,325 million and a total liabilities balance of Euro 108,858 million as at 31 December 2025. The related breakdown is included in table A.4.5.1, Part A of the notes to the consolidated financial statements.

The disclosures on the classification and measurement is provided in the notes to the consolidated financial statements in Part A - Accounting policies, in Part B - Information on the consolidated balance sheet, in Part C - Information on the consolidated income statement and in Part E - Information on risks and relative hedging policies.

The measurement of such financial instruments is relevant to the audit because their amount is significant to the financial statements as a whole and because of the multiplicity and complexity of the valuation models and parameters used as well as and for the subjective estimation elements considered by the Directors.

The valuation of these financial instruments is performed by the Group through the use of complex models, consistent with the prevailing valuation practices, which are fed by directly observable inputs or, when not observable in the market, estimated internally based on qualitative and quantitative assumptions.

In relation to this matter, our audit procedures included, among others:

- gaining an understanding of the policies, valuation models, processes and controls applied by the Group;
- the assessment of the configuration and implementation of key controls, including those relating to the relevant IT applications, and the execution of tests of controls in order to verify their operational effectiveness;
- the comparative analysis of the portfolio composition against the previous year and the discussion of the results with management;
- the performance of substantive procedures to verify, on a sample basis, the correct classification and measurement;
- the assessment of the adequacy of the disclosures provided in the notes to the consolidated financial statements.

The aforementioned procedures have been performed also with the support of our risk management, valuation, modelling and economics and information technology specialists.

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Responsibilities of Directors and of the Management Control Committee for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS accounting standards issued by the International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing article 9 of Legislative Decree no. 38/2005 and article 43 of Legislative Decree no. 136/2015 and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

The Management Control Committee is responsible, within the terms provided by the law, for overseeing 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 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 have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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;
- we have obtained 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;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

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- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming 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;
- we have evaluated 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;
- we have obtained 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 have communicated 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 have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of Regulation (EU) no. 537/2014

The Shareholders of Intesa Sanpaolo S.p.A., in the general meeting held on 30 April 2019, engaged us to perform the audits of the separate and consolidated financial statements of the Bank for each of the years ending 31 December 2021 to 31 December 2029.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of Regulation (EU) no. 537/2014, and that we have remained independent of the Bank in conducting the audit.

We confirm that the opinion on the consolidated financial statements included in this report is consistent with the content of the additional report to the Management Control Committee in their capacity as audit committee, prepared pursuant to article 11 of the Regulation mentioned above.

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Report on other Legal and Regulatory Requirements

Opinion on the Compliance with the provisions of Delegated Regulation (EU) no. 815/2019

The Directors of Intesa Sanpaolo S.p.A. are responsible for applying the provisions of the Delegated Regulation (EU) no. 815/2019 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF) (the "Delegated Regulation") to the consolidated financial statements as at 31 December 2025, to be included in the annual financial report.

We have performed the procedures under the auditing standard SA Italia no. 700B, in order to express an opinion on the compliance of the consolidated financial statements as at 31 December 2025 with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at 31 December 2025 have been prepared in the XHTML format and have been marked-up, in all material aspects, in compliance with the provisions of the Delegated Regulation.

Opinion and statement pursuant to article 14, paragraph 2, subparagraphs e), e-bis) and e-ter) of Legislative Decree no. 39, dated 27 January 2010 and pursuant to article 123-bis, paragraph 4, of Legislative Decree no. 58, dated 24 February 1998

The Directors of Intesa Sanpaolo S.p.A. are responsible for the preparation of the report on operations and of the report on corporate governance and ownership structure of Intesa Sanpaolo Group as at 31 December 2025, including their consistency with the related consolidated financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia no. 720B, in order to:

- express an opinion on the consistency of the report on operations and of specific information included in the report on corporate governance and ownership structure pursuant article 123-bis, paragraph 4, of Legislative Decree no. 58, dated 24 February 1998, with the consolidated financial statements;
- express an opinion on the compliance with the applicable laws and regulations of the report on operations, excluding the section related to the consolidated sustainability statement, and the above mentioned specific information included in the report on corporate governance and ownership structure pursuant article 123-bis, paragraph 4, of Legislative Decree no. 58, dated 24 February 1998;
- issue a statement on any material misstatement in the report on operations and in certain specific information contained in the report on corporate governance and ownership structure pursuant article 123-bis, paragraph 4, of Legislative Decree no. 58, dated 24 February 1998.

In our opinion, the report on operations and the specific information contained in the report on corporate governance and ownership structure pursuant article 123-bis, paragraph 4, of Legislative Decree no. 58, dated 24 February 1998, are consistent with the consolidated financial statements of the Intesa Sanpaolo Group as at 31 December 2025.

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Furthermore, in our opinion, the report on operations, excluding the section related to the consolidated sustainability statement, and the specific information contained in the report on corporate governance and ownership structure pursuant article 123-bis, paragraph 4, of Legislative Decree no. 58, dated 24 February 1998, comply with the applicable laws and regulations.

With reference to the statement required by article 14, paragraph 2, subparagraph e-*ter*), of Legislative Decree no. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Our opinion on compliance with applicable laws and regulations does not extend to the section of the report on operations related to consolidated sustainability statement. The conclusion on the compliance of this section with the applicable standards governing its preparation criteria and the compliance with the disclosure requirements pursuant to article 8 of Regulation (EU) 852/2020 are formulated by us in the attestation report pursuant to article 14-bis of Legislative Decree no. 39, dated 27 January 2010.

Milan, 20 March 2026

EY S.p.A.
Signed by: Massimo Testa, Auditor

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.

Independent Auditors' Report on the Consolidated Sustainability Statement

EY S.p.A.
Via Meravigli, 12
20123 Milano

Tel: +39 02 722121
Fax: +39 02 722122037
ey.com

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Independent auditor's limited assurance report on the consolidated sustainability statement in accordance with Article 14-bis of Legislative Decree n. 39, dated 27 January 2010

(Translation from the original Italian text)

To the Shareholders of
Intesa Sanpaolo S.p.A.

Conclusions

We have been appointed to perform a limited assurance engagement pursuant to Articles 8 and 18, paragraph 1, of Legislative Decree n. 125 dated 6 September 2024 (hereinafter the "Decree") on the consolidated sustainability statement of the Intesa Sanpaolo Group (hereinafter the "Group") for the year ended on 31 December 2025, prepared in accordance with Article 4 of the Decree, included in the specific section "Report on Operations".

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the Intesa Sanpaolo Group consolidated sustainability statement for the year ended on 31 December 2025, has not been prepared, in all material respects, in accordance with the reporting standards adopted by the European Commission pursuant to European Directive EU 2013/34 (*European Sustainability Reporting Standards*, hereinafter "ESRS");
- the information included in the paragraph *"Reporting pursuant to the EU Taxonomy (Regulation (EU) 2020/852)"* of the consolidated sustainability statement has not been prepared, in all material respects, in accordance with Article 8 of European Regulation n. 852 dated 18 June 2020 (hereinafter the "Taxonomy Regulation").

Basis for conclusions

We have performed a limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagement - SSAE (Italia) ("*Principio di Attestazione della Rendicontazione di Sostenibilità*"). The procedures performed in this type of engagement vary in nature and timing compared to those necessary for an engagement aimed at obtaining a reasonable level of assurance and are also less extensive. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the level of assurance that would have been obtained in a reasonable assurance engagement. Our responsibilities under this Standard are further described in the section "*Auditor's responsibility for the limited assurance engagement on the consolidated sustainability statement*" of this report.

We are independent in accordance with the ethics and independence rules and standards applicable in Italy to sustainability assurance engagements.

Our firm applies the International Standard on Quality Control 1 (ISQM Italia 1), and accordingly, is required to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
Sede Secondaria: Via Lombardia, 31 – 00187 Roma
Capitale Sociale Euro 3.000.000 i.v.
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Responsibilities of the Directors and of the Management Control Committee of Intesa Sanpaolo S.p.A. for the consolidated sustainability statement

The Directors are responsible for the design and implementation of the procedures used to identify the information included in the consolidated sustainability statement in accordance with the requirements of the ESRS (hereinafter "materiality assessment process") and for the description of such procedures in the paragraph "*Materiality assessment*" of the consolidated sustainability statement.

The Directors are also responsible for the preparation of the consolidated sustainability statement, which contains the information identified through the materiality assessment process, in accordance with the requirements of Article 4 of the Decree, including:

- compliance with the ESRS;
- compliance with Article 8 of the EU Taxonomy Regulation regarding the information contained in the paragraph "Reporting pursuant to the EU Taxonomy (Regulation (EU) 2020/852)".

This responsibility entails the design, implementation, and maintenance, as required by law, for that part of internal control that Directors consider necessary in order to allow the preparation of the consolidated sustainability statement in accordance with the requirements of Article 4 of the Decree, that is free from material misstatements, whether due to fraud or not intentional behaviors or events. This responsibility also includes the selection and application of appropriate methods to prepare disclosures and to formulate assumptions and estimates regarding specific sustainability information that are appropriate under the circumstances.

The Management Control Committee is responsible, within the terms provided by the law, for overseeing the compliance with the requirements of the Decree.

Intrinsic limitation in the preparation of consolidated sustainability statement

For the purposes of reporting forward-looking information in accordance with the ESRS, Directors are required to prepare such information based on assumptions, described in the consolidated sustainability statement, regarding events that may occur in the future and possible future actions by the Group. Due to the uncertainty associated with the realization of any future event, both as regards to the materialization of the event and as regards to the extent and timing of its manifestation, the variations between the actual values and the prospective information could be significant.

Disclosures regarding Scope 3 emissions are subject to greater intrinsic limitations compared to Scope 1 and 2 emissions, due to the limited availability and relative accuracy of the information used to define Scope 3 emissions information, both quantitative and qualitative, relating to the value chain.

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Auditor's responsibility for the limited assurance engagement on the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain a limited level of assurance that the consolidated sustainability statement is free from material misstatements, whether due to fraud or not intentional behaviors or events, and to issue a report containing our conclusions. Misstatements may arise from fraud or not intentional behaviors or events and are considered material if, individually or in aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability statement.

In the context of the engagement aimed at obtaining a limited level of assurance in accordance with the Standard on Sustainability Assurance Engagement - SSAE (Italia) ("*Principio di Attestazione della Rendicontazione di Sostenibilità*"), we exercised professional judgment and maintained professional skepticism throughout the duration of the engagement.

Our responsibilities include:

- considering the risks to identify the disclosures where a material misstatement is likely to occur, whether due to fraud or not intentional behaviors or events;
- designing and performing procedures to verify the disclosures where a material misstatement is likely to occur. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement arising from not intentional behaviors or events, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
- directing, supervising, and conducting the limited assurance engagement on the consolidated sustainability statement and assuming full responsibility for the conclusions regarding the consolidated sustainability statement.

Summary of the work performed

An engagement aimed at obtaining a limited level of assurance involves performing procedures to obtain evidence as a basis for formulating our conclusions.

The procedures performed on the consolidated sustainability statement were based on our professional judgment and included inquiries, primarily with the personnel of Intesa Sanpaolo S.p.A. and of the Group responsible for the preparation of the information included in the consolidated sustainability statement, as well as documents analyses, recalculations and other evidence-gathering procedures that are appropriate in the circumstances.

In particular, we performed the following procedures:

- understanding the Group's business model, strategies and the environment in which it operates concerning sustainability matters;
- understanding the processes underlying the generation, recording and management of the qualitative and quantitative information included in the consolidated sustainability statement;
- understanding the process adopted by the Group to identify and assess material impacts, risks, and opportunities based on the principle of double materiality, concerning sustainability matters, based on the information acquired therein, elaboration of considerations regarding any contradictory elements that may highlight the existence of sustainability matters not considered by the entity in the process of materiality assessment;

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- identifying disclosures in which a material misstatement is likely to occur;
- designing and performing procedures, based on our professional judgment, to address the identified risks of material misstatement;
- understanding the process implemented by the Group to determine eligible exposures and determine their aligned nature based on the provisions of the EU Taxonomy Regulation, and verifying the related disclosures included in the consolidated sustainability statement;
- cross-checking 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 records used for the preparation of the consolidated financial statements or with the accounting management figures;
- verifying the structure and presentation of the disclosures included in the consolidated sustainability statement in accordance with the ESRS;
- obtaining the representation letter.

Milan, 20 March 2026

EY S.p.A.
Signed by: Matteo Caccialanza, Auditor

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.

Attachments to the consolidated Financial Statements

Reconciliation between published consolidated financial statements and adjusted consolidated financial statements

Reconciliation between published consolidated balance sheet as at 31 December 2024 and adjusted consolidated balance sheet as at 31 December 2024

Reconciliation between published consolidated income statement for 2024 and adjusted consolidated income statement for 2024

Reconciliation between published/adjusted consolidated financial statements and restated consolidated financial statements

Reconciliation between published consolidated balance sheet as at 31 December 2024 and restated consolidated balance sheet as at 31 December 2024

Reconciliation between published consolidated income statement for 2024 and restated consolidated income statement for 2024

Restated consolidated financial statements

Consolidated balance sheet

Restated consolidated income statement

Reconciliation between restated consolidated financial statements and reclassified consolidated financial statements

Reconciliation between consolidated balance sheet and reclassified consolidated balance sheet

Reconciliation between restated consolidated income statement and reclassified consolidated income statement

Reconciliation between published consolidated financial statements and adjusted consolidated financial statements

Reconciliation between published consolidated balance sheet as at 31 December 2024 and adjusted consolidated balance sheet as at 31 December 2024

The published consolidated balance sheet as at 31 December 2024 did not require any adjustments.

Reconciliation between published consolidated income statement for 2024 and adjusted consolidated income statement for 2024

The published consolidated income statement for 2024 did not require any adjustments.

Reconciliation between published/adjusted consolidated financial statements and restated consolidated financial statements

Reconciliation between published consolidated balance sheet as at 31 December 2024 and restated consolidated balance sheet as at 31 December 2024

The published consolidated balance sheet as at 31 December 2024 did not require any restatements.

Reconciliation between published consolidated income statement for 2024 and restated consolidated income statement for 2024

(millions of euro)

		2024	Change in the scope of consolidation (a)	2024 Restated
10.	Interest and similar income	34,602	51	34,653
	of which: interest income calculated using the effective interest rate method	*29,438*	*51*	*29,489*
20.	Interest and similar expense	-16,512	-21	-16,533
30.	**Interest margin**	**18,090**	**30**	**18,120**
40.	Fee and commission income	11,392	13	11,405
50.	Fee and commission expense	-2,781	-3	-2,784
60.	**Net fee and commission income**	**8,611**	**10**	**8,621**
70.	Dividend and similar income	800	-	800
80.	Profits (Losses) on trading	493	4	497
90.	Fair value adjustments in hedge accounting	7	-	7
100.	Profits (Losses) on disposal or repurchase of:	57	-	57
	a) financial assets measured at amortised cost	*50*	-	*50*
	b) financial assets measured at fair value through other comprehensive income	*10*	-	*10*
	c) financial liabilities	*-3*	-	*-3*
110.	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss	2,635	-	2,635
	a) financial assets and liabilities designated at fair value	*-5,342*	-	*-5,342*
	b) other financial assets mandatorily measured at fair value	*7,977*	-	*7,977*
120.	**Net interest and other banking income**	**30,693**	**44**	**30,737**
130.	Net losses/recoveries for credit risk associated with:	-1,139	-	-1,139
	a) financial assets measured at amortised cost	*-1,131*	-	*-1,131*
	b) financial assets measured at fair value through other comprehensive income	*-8*	-	*-8*
140.	Profits (Losses) on changes in contracts without derecognition	-28	-	-28
150.	**Net income from banking activities**	**29,526**	**44**	**29,570**
160.	Insurance service result	1,653	-	1,653
	a) insurance revenue arising from insurance contracts issued	*3,169*	-	*3,169*
	b) insurance service expenses arising from insurance contracts issued	*-1,446*	-	*-1,446*
	c) insurance revenue arising from reinsurance contracts held	*99*	-	*99*
	d) insurance service expenses arising from reinsurance contracts held	*-169*	-	*-169*
170.	Balance of financial income and expenses related to insurance operations	-5,804	-	-5,804
	a) net financial expenses/revenue related to insurance contracts issued	*-5,805*	-	*-5,805*
	b) net financial expenses/revenue related to reinsurance contracts held	*1*	-	*1*
180.	**Net income from banking and insurance activities**	**25,375**	**44**	**25,419**
190.	Administrative expenses:	-11,997	-40	-12,037
	a) personnel expenses	*-7,422*	*-22*	*-7,444*
	b) other administrative expenses	*-4,575*	*-18*	*-4,593*
200.	Net provisions for risks and charges	-667	1	-666
	a) commitments and guarantees given	*-80*	-	*-80*
	b) other net provisions	*-587*	*1*	*-586*
210.	Net adjustments to / recoveries on property and equipment	-647	-3	-650
220.	Net adjustments to / recoveries on intangible assets	-1,111	-5	-1,116
230.	Other operating expenses (income)	1,161	-	1,161
240.	**Operating expenses**	**-13,261**	**-47**	**-13,308**
250.	Profits (Losses) on investments in associates and companies subject to joint control	-32	6	-26
260.	Valuation differences on property, equipment and intangible assets measured at fair value	-23	-	-23
270.	Goodwill impairment	-	-	-
280.	Profits (Losses) on disposal of investments	-1	-	-1
290.	**Income (Loss) before tax from continuing operations**	**12,058**	**3**	**12,061**
300.	Taxes on income from continuing operations	-3,399	-3	-3,402
310.	**Income (Loss) after tax from continuing operations**	**8,659**	**-**	**8,659**
320.	Income (Loss) after tax from discontinued operations	-	-	-
330.	**Net income (loss)**	**8,659**	**-**	**8,659**
340.	Minority interests	7	-	7
350.	**Parent Company's net income (loss)**	**8,666**	**-**	**8,666**

(a) The restatement refers to the economic results of the first 6 months of 2024 of First Bank and first 7 months of 2024 of Alpian.

Restated consolidated financial statements

Consolidated balance sheet

(millions of euro)

Assets		31.12.2025	31.12.2024	Changes amount	Changes %
10.	Cash and cash equivalents	37,868	40,533	-2,665	-6.6
20.	Financial assets measured at fair value through profit or loss	162,472	150,943	11,529	7.6
	a) financial assets held for trading	*46,241*	*41,439*	*4,802*	*11.6*
	b) financial assets designated at fair value	*4*	*6*	*-2*	*-33.3*
	c) other financial assets mandatorily measured at fair value	*116,227*	*109,498*	*6,729*	*6.1*
30.	Financial assets measured at fair value through other comprehensive income	163,441	150,269	13,172	8.8
40.	Financial assets measured at amortised cost	532,710	518,702	14,008	2.7
	a) due from banks	*46,005*	*38,460*	*7,545*	*19.6*
	b) loans to customers	*486,705*	*480,242*	*6,463*	*1.3*
50.	Hedging derivatives	7,372	6,505	867	13.3
60.	Fair value change of financial assets in hedged portfolios (+/-)	-5,982	-3,602	2,380	66.1
70.	Investments in associates and companies subject to joint control	2,735	3,036	-301	-9.9
80.	Insurance assets	669	693	-24	-3.5
	a) insurance contracts issued that are assets	*477*	*444*	*33*	*7.4*
	b) reinsurance contracts held that are assets	*192*	*249*	*-57*	*-22.9*
90.	Property and equipment	8,645	9,024	-379	-4.2
100.	Intangible assets	10,003	9,860	143	1.5
	of which:				
	- goodwill	*3,699*	*3,697*	*2*	*0.1*
110.	Tax assets	11,591	12,916	-1,325	-10.3
	a) current	*1,112*	*1,650*	*-538*	*-32.6*
	b) deferred	*10,479*	*11,266*	*-787*	*-7.0*
120.	Non-current assets held for sale and discontinued operations	1,065	667	398	59.7
130.	Other assets	27,298	33,739	-6,441	-19.1
Total assets		**959,887**	**933,285**	**26,602**	**2.9**

(millions of euro)

Liabilities and Shareholders' Equity		31.12.2025	31.12.2024	Changes amount	Changes %
10.	Financial liabilities measured at amortised cost	623,444	599,620	23,824	4.0
	a) due to banks	*57,715*	*45,794*	*11,921*	*26.0*
	b) due to customers	*466,380*	*443,457*	*22,923*	*5.2*
	c) securities issued	*99,349*	*110,369*	*-11,020*	*-10.0*
20.	Financial liabilities held for trading	39,656	42,882	-3,226	-7.5
30.	Financial liabilities designated at fair value	76,380	74,083	2,297	3.1
40.	Hedging derivatives	2,695	4,410	-1,715	-38.9
50.	Fair value change of financial liabilities in hedged portfolios (+/-)	-2,923	-1,819	1,104	60.7
60.	Tax liabilities	2,881	2,097	784	37.4
	a) current	*865*	*383*	*482*	
	b) deferred	*2,016*	*1,714*	*302*	*17.6*
70.	Liabilities associated with non-current assets held for sale and discontinued operations	45	5	40	
80.	Other liabilities	14,693	15,014	-321	-2.1
90.	Employee termination indemnities	614	706	-92	-13.0
100.	Allowances for risks and charges	4,506	4,885	-379	-7.8
	a) commitments and guarantees given	*676*	*601*	*75*	*12.5*
	b) post-employment benefits	*53*	*98*	*-45*	*-45.9*
	c) other allowances for risks and charges	*3,777*	*4,186*	*-409*	*-9.8*
110.	Insurance liabilities	132,518	126,081	6,437	5.1
	a) insurance contracts issued that are liabilities	*132,481*	*126,013*	*6,468*	*5.1*
	b) reinsurance contracts held that are liabilities	*37*	*68*	*-31*	*-45.6*
120.	Valuation reserves	-1,512	-2,332	-820	-35.2
130.	Redeemable shares	-	-	-	
140.	Equity instruments	7,704	8,706	-1,002	-11.5
150.	Reserves	18,539	15,367	3,172	20.6
155.	Interim dividend (-)	-3,234	-3,022	212	7.0
160.	Share premium reserve	24,279	27,601	-3,322	-12.0
170.	Share capital	10,369	10,369	-	-
180.	Treasury shares (-)	-240	-179	61	34.1
190.	Minority interests (+/-)	152	145	7	4.8
200.	Net income (loss) (+/-)	9,321	8,666	655	7.6
Total liabilities and shareholders' equity		**959,887**	**933,285**	**26,602**	**2.9**

Restated consolidated income statement

(millions of euro)

		2025	2024 Restated	Changes amount	Changes %
10.	Interest and similar income	27,758	34,653	-6,895	-19.9
	of which: interest income calculated using the effective interest rate method	*25,117*	*29,489*	*-4,372*	*-14.8*
20.	Interest and similar expense	-10,448	-16,533	-6,085	-36.8
30.	**Interest margin**	**17,310**	**18,120**	**-810**	**-4.5**
40.	Fee and commission income	11,926	11,405	521	4.6
50.	Fee and commission expense	-2,934	-2,784	150	5.4
60.	**Net fee and commission income**	**8,992**	**8,621**	**371**	**4.3**
70.	Dividend and similar income	1,094	800	294	36.8
80.	Profits (Losses) on trading	1,024	497	527	
90.	Fair value adjustments in hedge accounting	-3	7	-10	
100.	Profits (Losses) on disposal or repurchase of:	130	57	73	
	a) financial assets measured at amortised cost	*208*	*50*	*158*	
	b) financial assets measured at fair value through other comprehensive income	*2*	*10*	*-8*	*-80.0*
	c) financial liabilities	*-80*	*-3*	*77*	
110.	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss	1,925	2,635	-710	-26.9
	a) financial assets and liabilities designated at fair value	*-2,819*	*-5,342*	*-2,523*	*-47.2*
	b) other financial assets mandatorily measured at fair value	*4,744*	*7,977*	*-3,233*	*-40.5*
120.	**Net interest and other banking income**	**30,472**	**30,737**	**-265**	**-0.9**
130.	Net losses/recoveries for credit risk associated with:	-1,843	-1,139	704	61.8
	a) financial assets measured at amortised cost	*-1,769*	*-1,131*	*638*	*56.4*
	b) financial assets measured at fair value through other comprehensive income	*-74*	*-8*	*66*	
140.	Profits (Losses) on changes in contracts without derecognition	-30	-28	2	7.1
150.	**Net income from banking activities**	**28,599**	**29,570**	**-971**	**-3.3**
160.	Insurance service result	1,757	1,653	104	6.3
	a) insurance revenue arising from insurance contracts issued	*3,419*	*3,169*	*250*	*7.9*
	b) insurance service expenses arising from insurance contracts issued	*-1,587*	*-1,446*	*141*	*9.8*
	c) insurance revenue arising from reinsurance contracts held	*70*	*99*	*-29*	*-29.3*
	d) insurance service expenses arising from reinsurance contracts held	*-145*	*-169*	*-24*	*-14.2*
170.	Balance of financial income and expenses related to insurance operations	-5,306	-5,804	-498	-8.6
	a) net financial expenses/revenue related to insurance contracts issued	*-5,307*	*-5,805*	*-498*	*-8.6*
	b) net financial expenses/revenue related to reinsurance contracts held	*1*	*1*	-	-
180.	**Net income from banking and insurance activities**	**25,050**	**25,419**	**-369**	**-1.5**
190.	Administrative expenses:	-11,364	-12,037	-673	-5.6
	a) personnel expenses	*-6,889*	*-7,444*	*-555*	*-7.5*
	b) other administrative expenses	*-4,475*	*-4,593*	*-118*	*-2.6*
200.	Net provisions for risks and charges	-312	-666	-354	-53.2
	a) commitments and guarantees given	*-71*	*-80*	*-9*	*-11.3*
	b) other net provisions	*-241*	*-586*	*-345*	*-58.9*
210.	Net adjustments to / recoveries on property and equipment	-581	-650	-69	-10.6
220.	Net adjustments to / recoveries on intangible assets	-1,210	-1,116	94	8.4
230.	Other operating expenses (income)	1,163	1,161	2	0.2
240.	**Operating expenses**	**-12,304**	**-13,308**	**-1,004**	**-7.5**
250.	Profits (Losses) on investments in associates and companies subject to joint control	-269	-26	243	
260.	Valuation differences on property, equipment and intangible assets measured at fair value	-21	-23	-2	-8.7
270.	Goodwill impairment	-	-	-	
280.	Profits (Losses) on disposal of investments	189	-1	190	
290.	**Income (Loss) before tax from continuing operations**	**12,645**	**12,061**	**584**	**4.8**
300.	Taxes on income from continuing operations	-3,304	-3,402	-98	-2.9
310.	**Income (Loss) after tax from continuing operations**	**9,341**	**8,659**	**682**	**7.9**
320.	Income (Loss) after tax from discontinued operations	-	-	-	
330.	**Net income (loss)**	**9,341**	**8,659**	**682**	**7.9**
340.	Minority interests	-20	7	-27	
350.	**Parent Company's net income (loss)**	**9,321**	**8,666**	**655**	**7.6**

Reconciliation between restated consolidated financial statements and reclassified consolidated financial statements

Reconciliation between consolidated balance sheet and reclassified consolidated balance sheet

(millions of euro)

Assets		31.12.2025	31.12.2024
Cash and cash equivalents		**37,868**	**40,533**
Caption 10	Cash and cash equivalents	37,868	40,533
Due from banks		**41,622**	**36,128**
Caption 40a (partial)	Financial assets measured at amortised cost - Loans to Banks (Contribution of banking business)	41,536	36,060
Caption 20a (partial)	Financial assets held for trading - Due from banks (Contribution of banking business)	-	-
Caption 20b (partial)	Financial assets designated at fair value - Due from banks (Contribution of banking business)	3	3
Caption 20c (partial)	Other financial assets mandatorily measured at fair value - Due from banks (Contribution of banking business)	83	65
Caption 30 (partial)	Financial assets measured at fair value through other comprehensive income - Due from banks (Contribution of banking business)	-	-
Loans to customers		**425,033**	**421,512**
Loans to customers measured at amortised cost		***421,555***	***419,658***
Caption 40b (partial)	Financial assets measured at amortised cost - Loans to customers (Contribution of banking business)	412,847	413,348
Caption 40b (partial)	Financial assets measured at amortised cost - Debt securities (public entities, non-financial companies and others) (Contribution of banking business)	8,708	6,310
Loans to customers measured at fair value through other comprehensive income and through profit or loss		***3,478***	***1,854***
Caption 20a (partial)	Financial assets held for trading - Loans to customers (Contribution of banking business)	10	73
Caption 20b (partial)	Financial assets designated at fair value - Loans to customers (Contribution of banking business)	-	-
Caption 20c (partial)	Other financial assets mandatorily measured at fair value - Loans to customers (Contribution of banking business)	988	788
Caption 30 (partial)	Financial assets measured at fair value through other comprehensive income - Loans to customers (Contribution of banking business)	2,480	993
Financial assets measured at amortised cost which do not constitute loans		**69,610**	**62,979**
Caption 40a (partial)	Financial assets measured at amortised cost - Debt securities (banks) (Contribution of banking business)	4,469	2,400
Caption 40b (partial)	Financial assets measured at amortised cost - Debt securities (Governments, financial and insurance companies) (Contribution of banking business)	65,141	60,579
Financial assets measured at fair value through profit or loss		**50,731**	**45,706**
Caption 20a (partial)	Financial assets held for trading (Contribution of banking business)	46,199	41,328
Caption 20b (partial)	Financial assets designated at fair value - Debt securities (Contribution of banking business)	1	3
Caption 20c (partial)	Other financial assets mandatorily measured at fair value (Contribution of banking business)	4,531	4,375
Financial assets measured at fair value through other comprehensive income		**87,470**	**76,303**
Caption 30 (partial)	Financial assets measured at fair value through other comprehensive income (Contribution of banking business)	87,470	76,303
Financial assets pertaining to insurance companies measured at amortised cost		**9**	**5**
Caption 40a (partial)	Financial assets measured at amortised cost - Loans to Banks (Contribution of insurance business)	-	-
Caption 40b (partial)	Financial assets measured at amortised cost - Loans to customers (Contribution of insurance business)	9	5
Financial assets pertaining to insurance companies measured at fair value through profit or loss		**110,687**	**104,344**
Caption 20a (partial)	Financial assets held for trading (Contribution of insurance business)	32	38
Caption 20b (partial)	Financial assets designated at fair value (Contribution of insurance business)	-	-
Caption 20c (partial)	Other financial assets mandatorily measured at fair value (Contribution of insurance business)	110,625	104,270
Caption 50 (partial)	Hedging derivatives (Contribution of insurance business)	30	36
Financial assets pertaining to insurance companies measured at fair value through other comprehensive income		**73,491**	**72,973**
Caption 30 (partial)	Financial assets measured at fair value through other comprehensive income (Contribution of insurance business)	73,491	72,973
Equity investments		**2,735**	**3,036**
Caption 70	Investments in associates and companies subject to joint control	2,735	3,036
Property, equipment and intangible assets		**18,648**	**18,884**
Assets owned		***17,628***	***17,655***
Caption 90 (partial)	Property and equipment	7,625	7,795
Caption 100	Intangible assets	10,003	9,860
Rights of use acquired under leases		***1,020***	***1,229***
Caption 90 (partial)	Property and equipment	1,020	1,229
Tax assets		**11,591**	**12,916**
Caption 110	Tax assets	11,591	12,916
Non-current assets held for sale and discontinued operations		**1,065**	**667**
Caption 120	Non-current assets held for sale and discontinued operations	1,065	667
Other assets		**29,327**	**37,299**
Caption 50	Hedging derivatives (Contribution of banking business)	7,342	6,469
Caption 60	Fair value change of financial assets in hedged portfolios (+/-)	-5,982	-3,602
Caption 80	Insurance assets	669	693
Caption 130	Other assets	27,298	33,739
Total Assets		**959,887**	**933,285**

(millions of euro)

Liabilities		31.12.2025	31.12.2024
Due to banks at amortised cost		**56,716**	**45,082**
Caption 10 a)	Financial liabilities measured at amortised cost - Due to banks (Contribution of banking business)	56,718	45,084
- Caption 10 a) (partial)	Financial liabilities measured at amortised cost - Due to banks (of which lease payables) (Contribution of banking business)	-2	-2
Due to customers at amortised cost and securities issued		**563,519**	**552,029**
Caption 10 b)	Financial liabilities measured at amortised cost - Due to customers (Contribution of banking business)	466,261	443,339
Caption 10 c)	Financial liabilities measured at amortised cost - Securities issued (Contribution of banking business)	98,308	109,782
- Caption 10 b) (partial)	Financial liabilities measured at amortised cost - Due to customers (of which lease payables) (Contribution of banking business)	-1,050	-1,092
Financial liabilities held for trading		**39,648**	**42,866**
Caption 20	Financial liabilities held for trading (Contribution of banking business)	39,648	42,866
Financial liabilities designated at fair value		**27,196**	**23,437**
Caption 30	Financial liabilities designated at fair value (Contribution of banking business)	27,196	23,437
Financial liabilities at amortised cost pertaining to insurance companies		**2,156**	**1,412**
Caption 10 a) (partial)	Financial liabilities measured at amortised cost - Due to banks (Contribution of insurance business)	997	710
Caption 10 b) (partial)	Financial liabilities measured at amortised cost - Due to customers (Contribution of insurance business)	119	118
Caption 10 c) (partial)	Financial liabilities measured at amortised cost - Securities issued (Contribution of insurance business)	1,041	587
- Caption 10 a) (partial)	Financial liabilities measured at amortised cost - Due to banks (of which lease payables) (Contribution of insurance business)	-	-1
- Caption 10 b) (partial)	Financial liabilities measured at amortised cost - Due to customers (of which lease payables) (Contribution of insurance business)	-1	-2
Financial liabilities held for trading pertaining to insurance companies		**62**	**63**
Caption 20 (partial)	Financial liabilities held for trading (Contribution of insurance business)	8	16
Caption 40 (partial)	Hedging derivatives (Contribution of insurance business)	54	47
Financial liabilities designated at fair value pertaining to insurance companies		**49,184**	**50,646**
Caption 30 (partial)	Financial liabilities designated at fair value (Contribution of insurance business)	49,184	50,646
Tax liabilities		**2,881**	**2,097**
Caption 60	Tax liabilities	2,881	2,097
Liabilities associated with non-current assets held for sale and discontinued operations		**45**	**5**
Caption 70	Liabilities associated with non-current assets held for sale and discontinued operations	45	5
Other liabilities		**15,464**	**18,655**
Caption 40	Hedging derivatives (Contribution of banking business)	2,641	4,363
Caption 50	Fair value change of financial liabilities in hedged portfolios (+/-)	-2,923	-1,819
Caption 80	Other liabilities	14,693	15,014
+Caption 10 a) (partial)	Financial liabilities measured at amortised cost - Due to banks (of which lease payables) (Contribution of banking business)	2	2
Caption 10 a) (partial)	Financial liabilities measured at amortised cost - Due to banks (of which lease payables) (Contribution of insurance business)	-	1
+Caption 10 b) (partial)	Financial liabilities measured at amortised cost - Due to customers (of which lease payables) (Contribution of banking business)	1,050	1,092
+Caption 10 b) (partial)	Financial liabilities measured at amortised cost - Due to customers (of which lease payables) (Contribution of insurance business)	1	2
Insurance liabilities		**132,518**	**126,081**
Caption 110	Insurance liabilities	132,518	126,081
Allowances for risks and charges		**5,120**	**5,591**
Caption 90	Employee termination indemnities	614	706
Caption 100 a)	Allowances for risks and charges - Loan commitments and guarantees given	676	601
Caption 100 b)	Allowances for risks and charges - Post-employment benefits	53	98
Caption 100 c)	Allowances for risks and charges - Other allowances for risks and charges	3,777	4,186
Share capital		**10,369**	**10,369**
Caption 170	Share capital	10,369	10,369
Reserves		**42,578**	**42,789**
Caption 130	Redeemable shares	-	-
Caption 150	Reserves	18,539	15,367
Caption 160	Share premium reserve	24,279	27,601
- Caption 180	Treasury shares (-)	-240	-179
Valuation reserves		**-1,138**	**-2,035**
Caption 120	Valuation reserves (Contribution of banking business and including IAS19 Reserves pertaining to insurance business)	-1,138	-2,035
Valuation reserves pertaining to insurance companies		**-374**	**-297**
Caption 120	Valuation reserves (Contribution of insurance business)	-374	-297
Interim dividend		**-3,234**	**-3,022**
Caption 155	Interim dividend (-)	-3,234	-3,022
Equity instruments		**7,704**	**8,706**
Caption 140	Equity instruments	7,704	8,706
Minority interests		**152**	**145**
Caption 190	Minority interests	152	145
Net income (loss)		**9,321**	**8,666**
Caption 200	Net income (loss) (+/-)	9,321	8,666
Total Liabilities and Shareholders' Equity		**959,887**	**933,285**

Reconciliation between restated consolidated income statement and reclassified consolidated income statement

(millions of euro)

Captions		2025	2024 Restated
Net interest income		**14,796**	**15,718**
Caption 30	Interest margin	17,310	18,120
- Caption 30 (partial)	Net interest income (Contribution of insurance business)	-2,352	-2,279
- Caption 30 (partial)	Interest margin - Reclassification of operations of entities not subject to management and coordination	-	-1
- Caption 30 (partial)	Interest margin (Effect of purchase price allocation)	45	58
+ Caption 60 (partial)	Net fee and commission income (Periodic fees and commissions on current accounts with positive balances (negative rates)	1	1
- Caption 30 (partial)	Components of net interest income relating to Profits (losses) on trading (Dividends received and paid within securities lending operations)	-14	-1
+ Caption 80 (partial)	Hedging swap differentials	-151	-118
+ Caption 190 a) (partial)	Personnel expenses (Time value employee termination indemnities and other)	-27	-37
+ Caption 190 b) (partial)	Other administrative expenses (Amounts attributed to Net interest income - For Funding initiative)	-	-1
+ Caption 200 b) (partial)	Net provisions for risks and charges (Time value allowances for risks and charges)	-16	-24
Net fee and commission income		**9,980**	**9,386**
Caption 60	Net fee and commission income	8,992	8,621
- Caption 60 (partial)	Net fee and commission income - Insurance segment	876	736
- Caption 60 (partial)	Net fee and commission income - Reclassification of operations of entities not subject to management and	2	2
- Caption 60 (partial)	Net fee and commission income (Periodic fees and commissions on current accounts with positive balances (negative rates)	-1	-1
+ Caption 80 (partial)	Profits (Losses) on trading (Placement of Certificates)	88	64
+ Caption 110 a) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (a) financial assets and liabilities designated at fair value (Placement of Certificates)	326	186
+ Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value (Return components of insurance policies taken out for the benefit of financial advisor networks)	3	6
+ Caption 160b) (partial)	Insurance service expenses arising from insurance contracts issued (Contribution of banking business) Fee and commission income Private Banking Division financial advisors	-67	-57
+ Caption 190 a) (partial)	Personnel expenses (Charges for incentive systems for employees of the distribution networks)	-100	-81
+ Caption 190 b) (partial)	Other administrative expenses (Recovery of expenses)	-139	-90
Income from insurance business		**1,815**	**1,735**
Caption 160	Insurance service result	1,757	1,653
Caption 170	Balance of financial income and expenses related to insurance operations	-5,306	-5,804
+ Caption 30 (partial)	Net interest income (Contribution of insurance business)	2,352	2,279
+ Caption 60 (partial)	Net fee and commission income (Contribution of insurance business)	-876	-736
+ Caption 70 (partial)	Dividend and similar income on equity instruments held for trading, measured at fair value through profit or loss or for which the option has been exercised of their designation at fair value through other comprehensive income (including dividends on UCIs) (Contribution of insurance business)	690	519
+ Caption 80 (partial)	Profits (Losses) on trading (Contribution of insurance business)	-32	-20
+ Caption 90 (partial)	Fair value adjustments in hedge accounting (Contribution of insurance business)	-	-
+ Caption 100 b) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at fair value through other comprehensive income - Contribution of insurance business	-249	-228
+ Caption 110 a) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss - Contribution of insurance business	-1,632	-4,341
+ Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value (Contribution of insurance business)	4,469	7,732
+ Caption 130 b) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at fair value through other comprehensive income (Contribution of insurance business)	-47	30
- Caption 160 b) (partial)	Insurance service expenses arising from insurance contracts issued - Personnel expenses	383	361
- Caption 160 b) (partial)	Insurance service expenses arising from insurance contracts issued - Other Administrative Expenses	172	164
- Caption 160 b) (partial)	Insurance service expenses arising from insurance contracts issued - Depreciation Property and Equipment	14	19
- Caption 160 b) (partial)	Insurance service expenses arising from insurance contracts issued - Amortisation of Intangible Assets	53	50
- Caption 160 b) (partial)	Insurance service expenses arising from insurance contracts issued (Contribution of banking business) Fee and commission income Private Banking Division financial advisors	67	57
+ Caption 210 (partial)	Net adjustments to / recoveries on property and equipment of insurance business	-	-

(millions of euro)

Captions		2025	2024 Restated
Profits (Losses) on financial assets and liabilities at fair value		**691**	**256**
Caption 80	Profits (Losses) on trading	1,024	497
Caption 90	Fair value adjustments in hedge accounting	-3	7
Caption 110 a)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (a) financial assets and liabilities designated at fair value	-2,819	-5,342
Caption 110 b)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value	4,744	7,977
Caption 100 b)	Profits (Losses) on disposal or repurchase of financial assets measured at fair value through other comprehensive income	2	10
Caption 100 c)	Profits (Losses) on disposal or repurchase of financial liabilities	-80	-3
+ Caption 70 (partial)	Dividend and similar income on equity instruments held for trading, measured at fair value through profit or loss or for which the option has been exercised of their designation at fair value through other comprehensive income (including dividends on UCIs) (Contribution of banking business)	404	281
+ Caption 30 (partial)	Components of net interest income relating to Profits (losses) on trading (Dividends received and paid within securities lending operations)	14	1
- Caption 80 (partial)	Profits (Losses) on trading (Placement of Certificates)	-88	-64
- Caption 80 (partial)	Profits (Losses) on trading (Contribution of insurance business)	32	20
- Caption 80 (partial)	Hedging swap differentials	151	118
- Caption 90 (partial)	Fair value adjustments in hedge accounting (Contribution of insurance business)	-	-
- Caption 100 b) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at fair value through other comprehensive income (Contribution of insurance business)	249	228
+ Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Debt securities (governments, financial and insurance companies) - Effect associated with profits (losses) on trading	188	133
+ Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Debt securities (Banks) (Contribution of banking business) - Effect associated with profits (losses) on trading	10	6
- Caption 110 a) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (a) financial assets and liabilities designated at fair value (Placement of Certificates)	-326	-186
- Caption 110 a) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (a) financial assets and liabilities designated at fair value (Contribution of insurance business)	1,632	4,341
- Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value (Contribution of insurance business)	-4,469	-7,732
- Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value (Return components of insurance policies taken out for the benefit of financial advisor networks)	-40	-75
- Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value (Charges concerning the banking industry)	-2	46
- Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value (amounts attributed to net adjustments on loans)	12	-
+ Caption 230 (partial)	Other operating expenses (income) (Trading and valuation of other assets)	56	-7
Other operating income (expenses)		**-12**	**12**
Caption 70	Dividend and similar income	1,094	800
Caption 230	Other operating expenses (income)	1,163	1,161
+ Caption 30 (partial)	Interest margin - Reclassification of operations of entities not subject to management and coordination	-	1
+ Caption 60 (partial)	Net fee and commission income - Reclassification of operations of entities not subject to management and coordination	-2	-2
+ Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value (Return components of insurance policies taken out for the benefit of financial advisor networks)	-	5
- Caption 70 (partial)	Dividend and similar income on equity instruments held for trading, designated at fair value through profit or loss or for which the option has been exercised of their designation at fair value through other comprehensive income (including dividends on UCIs) (Contribution of banking business)	-404	-281
- Caption 70 (partial)	Dividend and similar income on equity instruments held for trading, designated at fair value through profit or loss or for which the option has been exercised of their designation at fair value through other comprehensive income (including dividends on UCIs) (Contribution of insurance business)	-690	-519
- Caption 230 (partial)	Other operating expenses (income) (Recovery of expenses)	-26	-23
- Caption 230 (partial)	Other operating expenses (income) (Recovery of indirect taxes)	-1,169	-1,083
- Caption 230 (partial)	Other operating expenses/(income) (Non-recurring income/expenses or income/expenses not linked to continuing operations)	13	-179
- Caption 230 (partial)	Other operating expenses (income) (Valuation effects of other assets)	7	18
- Caption 230 (partial)	Other operating expenses (income) (Impairment losses on repurchased property and equipment)	-	-
- Caption 230 (partial)	Other operating expenses (income) (Charges/revenues from integration)	9	11
- Caption 230 (partial)	Other operating expenses (income) (Trading and valuation of other assets)	-56	7
- Caption 230 (partial)	Other operating expenses (income) (Effect of purchase price allocation) (Contribution of banking business)	-	-10
- Caption 230 (partial)	Other operating expenses (income) (National Resolution Fund settlement agreement)	-	130
+ Caption 190 b) (partial)	Other administrative expenses (Reconciliation of non-banking, financial and insurance entity operations - operating leases)	-2	-8
+ Caption 210 (partial)	Net adjustments to / recoveries on property and equipment (Reconciliation of non-banking, financial and insurance entity operations - operating leases)	-15	-69
+ Caption 220 (partial)	Net adjustments to / recoveries on intangible assets (Reconciliation of non-banking, financial and insurance entity operations - operating leases)	-1	-4
+ Caption 250 (partial)	Profits (losses) on investments in associates and companies subject to joint control (carried at equity)	67	57
Operating income		**27,270**	**27,107**

(millions of euro)

Captions		2025	2024 Restated
Personnel expenses		**-7,019**	**-7,185**
Caption 190 a)	Personnel expenses	-6,889	-7,444
- Caption 190 a) (partial)	Personnel expenses (Charges for integration and exit incentives)	125	501
- Caption 190 a) (partial)	Personnel expenses (Time value employee termination indemnities and other)	27	37
- Caption 190 a) (partial)	Personnel expenses (Charges for incentive systems for employees of the distribution networks)	100	81
+ Caption 160 b) (partial)	Insurance service expenses arising from insurance contracts issued - Personnel expenses	-383	-361
+ Caption 230 (partial)	Other operating expenses (income) (Recovery of expenses)	1	1
Other administrative expenses		**-3,028**	**-2,979**
Caption 190 b)	Other administrative expenses	-4,475	-4,593
- Caption 190 b) (partial)	Other administrative expenses (Amounts attributed to Net interest income - For Funding initiative)	-	1
- Caption 190 b) (partial)	Other administrative expenses (Charges for integration)	80	64
- Caption 190 b) (partial)	Other administrative expenses (Resolution fund and deposit guarantee scheme)	156	462
- Caption 190 b) (partial)	Other administrative expenses (Recovery of expenses)	139	90
- Caption 190 b) (partial)	Other administrative expenses (Reconciliation of non-banking, financial and insurance entity operations - operating leases)	2	8
- Caption 190 b) (partial)	Other administrative expenses (extraordinary taxes on international subsidiaries)	48	48
+ Caption 160 b) (partial)	Insurance service expenses arising from insurance contracts issued - Other Administrative Expenses	-172	-164
+ Caption 230 (partial)	Other operating expenses (income) (Recovery of indirect taxes)	1,169	1,083
+ Caption 230 (partial)	Other operating expenses (income) (Recovery of expenses)	25	22
Adjustments to property, equipment and intangible assets		**-1,453**	**-1,406**
Caption 210	Net adjustments to / recoveries on property and equipment	-581	-650
Caption 220	Net adjustments to / recoveries on intangible assets	-1,210	-1,116
- Caption 210 (partial)	Net adjustments to / recoveries on property and equipment of insurance business	-	-
- Caption 210 (partial)	Net adjustments to / recoveries on property and equipment (Charges for integration)	46	52
- Caption 210 (partial)	Net adjustments to / recoveries on property and equipment (Impairment)	5	17
- Caption 210 (partial)	Net adjustments to / recoveries on property and equipment (Reconciliation of non-banking, financial and insurance entity operations - operating leases)	15	69
+ Caption 160 b) (partial)	Insurance service expenses arising from insurance contracts issued - Depreciation Property and Equipment	-14	-19
+ Caption 160 b) (partial)	Insurance service expenses arising from insurance contracts issued - Amortisation of Intangible Assets	-53	-50
- Caption 220 (partial)	Net adjustments to / recoveries on intangible assets (Charges for integration)	241	215
- Caption 220 (partial)	Net adjustments to / recoveries on intangible assets (Impairment)	49	18
- Caption 220 (partial)	Net adjustments to/recoveries on intangible assets (Effect of purchase price allocation)	48	54
- Caption 220 (partial)	Net adjustments to / recoveries on intangible assets (Reconciliation of non-banking, financial and insurance entity operations - operating leases)	1	4
Operating costs		**-11,500**	**-11,570**
Operating margin		**15,770**	**15,537**
Net adjustments to loans		**-1,745**	**-1,274**
Caption 140	Profits/losses from changes in contracts without derecognition	-30	-28
Caption 200 a)	Net provisions for risks and charges for credit risk related to commitments and guarantees given	-71	-80
+ Caption 100 a) (partial)	Profits (losses) on disposal or repurchase of financial assets at amortised cost - Loans (Contribution of banking business)	6	-100
+ Caption 100 a) (partial)	Profits (losses) on disposal or repurchase of financial assets at amortised cost - Debt securities (public entities, non-financial companies and others) (Contribution of banking business)	4	8
- Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Loans (Effect of purchase price allocation) (Contribution of banking business)	20	43
+ Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value (amounts attributed to net adjustments on loans)	-12	-
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Loans (Contribution of banking business)	-1,655	-1,121
- Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Loans (Effect of purchase price allocation)	7	-
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Debt securities (public entities, non-financial companies and others) (Contribution of banking business)	-7	-3
+ Caption 130 b) (partial)	Net losses/recoveries for credit risk associated with financial assets designated at fair value through other comprehensive income - Loans (Contribution of banking business)	-10	-
+ Caption 200 b) (partial)	Net provisions for risks and charges (Provisions for non-recurring expenses)	3	7

(millions of euro)

Captions		2025	2024 Restated
Other net provisions and net impairment losses on other assets		**-392**	**-680**
Caption 260	Valuation differences on property, equipment and intangible assets measured at fair value	-21	-23
Caption 200 b)	Net provisions for risks and charges - Other net provisions	-241	-586
+ Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value (Return components of insurance policies taken out for the benefit of financial advisor networks)	37	64
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Debt securities (Governments, financial and insurance companies) (Contribution of banking business)	-99	-7
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Debt securities due to Banks (Contribution of banking business)	-	-
+ Caption 130 b) (partial)	Net losses/recoveries for credit risk associated with financial assets designated at fair value through other comprehensive income - Debt securities (Contribution of banking business)	-17	-38
- Caption 200 b) (partial)	Net provisions for risks and charges - Other net provisions (Contribution to the Life Insurance Guarantee Fund)	-	-
- Caption 200 b) (partial)	Net provisions for risks and charges (Charges for integration)	-	1
- Caption 200 b) (partial)	Net provisions for risks and charges (Time value allowances for risks and charges)	16	24
- Caption 200 b) (partial)	Net provisions for risks and charges (Effect of purchase price allocation)	13	-
- Caption 200 b) (partial)	Net provisions for risks and charges (Provisions for non-recurring expenses)	-3	-7
+ Caption 210 (partial)	Net adjustments to / recoveries on property and equipment (Impairment)	-5	-17
+ Caption 220 (partial)	Net adjustments to / recoveries on intangible assets (Impairment)	-49	-18
- Caption 220 (partial)	Net adjustments to / recoveries on intangible assets (Impairment - Amounts reclassified to Other income (expenses))	8	-
+ Caption 230 (partial)	Other operating expenses (income) (Impairment losses on repurchased property and equipment)	-	-
+ Caption 230 (partial)	Other operating expenses (income) (Valuation effects of other assets)	-7	-18
+ Caption 250 (partial)	Profits (Losses) on investments in associates and companies subject to joint control (Adjustments/recoveries due to impairment of associates)	-24	-55
Other income (expenses)		**-171**	**153**
Caption 250	Profits (Losses) on investments in associates and companies subject to joint control	-269	-26
Caption 280	Profits (Losses) on disposal of investments	189	-1
Caption 100 a) (partial)	Profits (losses) on disposal or repurchase of financial assets at amortised cost - Debt securities (Governments, financial and insurance companies) (Contribution of banking business)	188	136
Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Debt securities (Banks) (Contribution of banking business)	10	6
- Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Debt securities (governments, financial and insurance companies) - Effect associated with profits (losses) on trading	-188	-133
- Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Debt securities (Banks) (Contribution of banking business) - Effect associated with profits (losses) on trading	-10	-6
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Effect associated with profits (losses) on investments in associates and companies subject to joint control (Contribution of banking business)	-8	-
+ Caption 220 (partial)	Net adjustments to / recoveries on intangible assets (Impairment - Amounts reclassified to Other income (expenses))	-8	-
+ Caption 230 (partial)	Other operating expenses/(income) (Non-recurring income/expenses or income/expenses not linked to continuing operations)	-13	179
- Caption 250 (partial)	Profits (Losses) on investments in associates and companies subject to joint control (carried at equity)	-67	-57
- Caption 250 (partial)	Profits (Losses) on investments in associates and companies subject to joint control (Effect of purchase price allocation)	-19	-
- Caption 250 (partial)	Profits (Losses) on investments in associates and companies subject to joint control (Adjustments/recoveries due to impairment of associates)	24	55
Income (Loss) from discontinued operations		**-**	**-**
Caption 320	Income (Loss) after tax from discontinued operations	-	-
+ Caption 320 (partial)	Income (Loss) after tax from discontinued operations (Tax)	-	-
Gross income (loss)		**13,462**	**13,736**

(millions of euro)

Captions		2025	2024 Restated
Taxes on income		**-3,579**	**-4,048**
Caption 300	Taxes on income from continuing operations	-3,304	-3,402
+ Caption 190 b) (partial)	Other administrative expenses (extraordinary taxes on international subsidiaries)	-48	-48
+ Caption 230 (partial)	Other operating expenses (income) (National Resolution Fund settlement agreement)	-	-130
- Caption 300 (partial)	Taxes on income from continuing operations (Charges for integration)	-148	-257
- Caption 300 (partial)	Taxes on income from continuing operations (Effect of purchase price allocation)	-38	-51
- Caption 300 (partial)	Taxes on income from continuing operations (Resolution fund and deposit guarantee scheme and Life Insurance Guarantee Fund)	-41	-160
- Caption 300 (partial)	Taxes on income from continuing operations (Impairment of goodwill and other intangible assets)	-	-
- Caption 320 (partial)	Income (Loss) after tax from discontinued operations (Tax)	-	-
Charges (net of tax) for integration and exit incentives		**-353**	**-587**
+ Caption 190 a) (partial)	Personnel expenses (Charges for integration and exit incentives)	-125	-501
+ Caption 190 b) (partial)	Other administrative expenses (Charges for integration)	-80	-64
+ Caption 200 b) (partial)	Net provisions for risks and charges (Charges for integration)	-	-1
+ Caption 210 (partial)	Net adjustments to / recoveries on property and equipment (Charges for integration)	-46	-52
+ Caption 220 (partial)	Net adjustments to / recoveries on intangible assets (Charges for integration)	-241	-215
+ Caption 230 (partial)	Other operating expenses (income) (Charges/revenues from integration)	-9	-11
+ Caption 300 (partial)	Taxes on income from continuing operations (Charges for integration)	148	257
Effect of purchase price allocation (net of tax)		**-76**	**-94**
+ Caption 30 (partial)	Interest margin (Effect of purchase price allocation)	-45	-58
+ Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Loans (Effect of purchase price allocation) - (Contribution of banking business)	-20	-43
+ Caption 200 b) (partial)	Net provisions for risks and charges (Effect of purchase price allocation)	-13	-
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Loans (Effect of purchase price allocation)	-7	-
+ Caption 220 (partial)	Net adjustments to/recoveries on intangible assets (Effect of purchase price allocation)	-48	-54
+ Caption 230 (partial)	Other operating expenses (income) (Effect of purchase price allocation) (Contribution of banking business)	-	10
+ Caption 250 (partial)	Profits (Losses) on investments in associates and companies subject to joint control (Effect of purchase price allocation)	19	-
+ Caption 300 (partial)	Taxes on income from continuing operations (Effect of purchase price allocation)	38	51
Levies and other charges concerning the banking and insurance industry (net of tax)		**-113**	**-348**
+ Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value (Charges concerning the banking industry)	2	-46
+ Caption 200 b) (partial)	Net provisions for risks and charges - Other net provisions (Contribution to the Life Insurance Guarantee Fund)	-	-
+ Caption 190 b) (partial)	Other administrative expenses (Resolution fund and deposit guarantee scheme)	-156	-462
+ Caption 300 (partial)	Taxes on income from continuing operations (Resolution fund and deposit guarantee scheme and Life Insurance Guarantee Fund)	41	160
Impairment (net of tax) of goodwill and other intangible assets		**-**	**-**
Caption 270	Goodwill impairment	-	-
+ Caption 300 (partial)	Taxes on income from continuing operations (Impairment of goodwill and other intangible assets)	-	-
Minority interests		**-20**	**7**
Caption 340	Minority interests	-20	7
Net income (loss)		**9,321**	**8,666**

Other consolidated attachments

List of the IAS/IFRS endorsed by the European Commission as at 31 December 2025

ACCOUNTING STANDARDS		Endorsement Regulation (*)
IFRS 1	First-time Adoption of International Financial Reporting Standards	1803/2023 mod. 1331/2025 (1)
IFRS 2	Share-based Payment	1803/2023
IFRS 3	Business Combinations	1803/2023
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1803/2023
IFRS 6	Exploration for and Evaluation of Mineral Resources	1803/2023
IFRS 7	Financial Instruments: Disclosures	1803/2023 mod. 1317/2024 - 1047/2025 (1) - 1266/2025 (1) - 1331/2025 (1)
IFRS 8	Operating Segments	1803/2023
IFRS 9	Financial Instruments	1803/2023 mod. 1047/2025 (1) - 1266/2025 (1) - 1331/2025 (1)
IFRS 10	Consolidated Financial Statements	1803/2023 mod. 1331/2025 (1)
IFRS 11	Joint Arrangements	1803/2023
IFRS 12	Disclosure of Interests in Other Entities	1803/2023
IFRS 13	Fair Value Measurement	1803/2023
IFRS 15	Revenue from Contracts with Customers	1803/2023
IFRS 16	Leases	1803/2023 mod. 2579/2023
IFRS 17	Insurance Contracts	1803/2023
IAS 1	Presentation of Financial Statements	1803/2023 mod. 2822/2023
IAS 2	Inventories	1803/2023
IAS 7	Statement of Cash Flows	1803/2023 mod. 1317/2024 - 1331/2025 (1)
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	1803/2023
IAS 10	Events after the Reporting Period	1803/2023
IAS 12	Income Taxes	1803/2023 mod. 2468/2023
IAS 16	Property, Plant and Equipment	1803/2023
IAS 19	Employee Benefits	1803/2023
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	1803/2023
IAS 21	The Effects of Changes in Foreign Exchange Rates	1803/2023 mod. 2862/2024
IAS 23	Borrowing costs	1803/2023
IAS 24	Related Party Disclosures	1803/2023
IAS 26	Accounting and Reporting by Retirement Benefit Plans	1803/2023
IAS 27	Separate Financial Statements	1803/2023
IAS 28	Investments in Associates and Joint Ventures	1803/2023
IAS 29	Financial Reporting in Hyperinflationary Economies	1803/2023
IAS 32	Financial Instruments: Presentation	1803/2023
IAS 33	Earnings per Share	1803/2023
IAS 34	Interim Financial Reporting	1803/2023
IAS 36	Impairment of Assets	1803/2023
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	1803/2023
IAS 38	Intangible Assets	1803/2023
IAS 39	Financial Instruments: Recognition and Measurement (except for certain rules on hedge accounting)	1803/2023
IAS 40	Investment Property	1803/2023
IAS 41	Agriculture	1803/2023

(*) Regulation 1803/2023 of 13 August 2023, published in the Official Journal of the European Union (GUCE) of 26 September 2023, repealed and replaced the previous Regulation 1126/2008 which adopted the International Accounting Standards and related Interpretations issued or adopted by the IASB until 15 October 2008 and was subsequently subject to numerous amendments in order to include the Standards and related Interpretation issued or adopted by the IASB and adopted by Commission until 8 September 2022, in accordance with Regulation 1606/2002.
In order to simplify Union legislation on International Accounting Standards, for reason of clarity and transparency, Regulation 1126/2008 was repealed and replaced by Regulation 1803/2023 to which references to the repealed regulation are intended.
Therefore, Regulation 1126/2008 and subsequent amendments are no longer reported in this summary, as carried out until the 2022 Financial Statements, but only Regulation 1803/2023 and any subsequent amendments.

(1) Companies apply this Regulation at the latest as of the first financial year starting after 1 January 2026.

INTERPRETATIONS		Endorsement Regulation (*)
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1803/2023
IFRIC 2	Members' Shares in Cooperative Entities and Similar Instruments	1803/2023
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1803/2023
IFRIC 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment	1803/2023
IFRIC 7	Applying the Restatement Approach under IAS 29 - Financial Reporting in Hyperinflationary Economies	1803/2023
IFRIC 10	Interim Financial Reporting and Impairment	1803/2023
IFRIC 12	Service Concession Arrangements	1803/2023
IFRIC 14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1803/2023
IFRIC 16	Hedges of a Net Investment in a Foreign Operation	1803/2023
IFRIC 17	Distributions of Non-cash Assets to Owners	1803/2023
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	1803/2023
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	1803/2023
IFRIC 21	Levies	1803/2023
IFRIC 22	Foreign Currency Transaction and Advance Consideration	1803/2023
IFRIC 23	Uncertainty over Income Tax Treatments	1803/2023
SIC 7	Introduction of the Euro	1803/2023
SIC 10	Government Assistance - No Specific Relation to Operating Activities	1803/2023
SIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders	1803/2023
SIC 29	Service Concession Arrangements: Disclosures	1803/2023
SIC 32	Intangible Assets - Web Site Costs	1803/2023

(*) Regulation 1803/2023 of 13 August 2023, published in the Official Journal of the European Union (GUCE) of 26 September 2023, repealed and replaced the previous Regulation 1126/2008 which adopted the International Accounting Standards and related Interpretations issued or adopted by the IASB until 15 October 2008 and was subsequently subject to numerous amendments in order to include the Standards and related Interpretation issued or adopted by the IASB and adopted by Commission until 8 September 2022, in accordance with Regulation 1606/2002.
In order to simplify Union legislation on International Accounting Standards, for reason of clarity and transparency, Regulation 1126/2008 was repealed and replaced by Regulation 1803/2023 to which references to the repealed regulation are intended.
Therefore, Regulation 1126/2008 and subsequent amendments are no longer reported in this summary, as carried out until the 2022 Financial Statements, but only Regulation 1803/2023 and any subsequent amendments.

Report and Parent Company's financial statements

Report on operations

Financial highlights, Alternative Performance Measures and other measures (*)

Income statement figures (millions of euro)	2025	2024	Changes amount	Changes %
Net interest income	10,407	11,103	-696	-6.3
Net fee and commission income	5,974	5,700	274	4.8
Profits (Losses) on financial assets and liabilities at fair value	451	-102	553	
Operating income	20,056	18,821	1,235	6.6
Operating costs	-8,773	-8,895	-122	-1.4
Operating margin	11,283	9,926	1,357	13.7
Net adjustments to loans	-1,669	-1,158	511	44.1
Net income (loss)	6,844	5,604	1,240	22.1

2025
2024

(*) For more detailed information on the Alternative Performance Measures, see the specific chapter of the Report on Operations in the consolidated financial statements.

Balance sheet figures (millions of euro)		Changes	
		amount	**%**
Loans to customers	353,181 355,103	-1,922	-0.5
Total assets	673,915 658,530	15,385	2.3
Direct customer deposits	493,947 480,668	13,279	2.8
Indirect customer deposits	366,514 344,710	21,804	6.3
of which: Assets under management	*230,516* *220,850*	*9,666*	*4.4*
Shareholders' equity	51,857 54,369	-2,512	-4.6
Loans to customers/Direct customer deposits (%) (Loan to deposit ratio)	71.5 73.9		

(*) Starting from December 2025, assets under management also include mutual funds established by third parties and insurance policies issued by companies not belonging to the Group that were previously classified as assets under administration and in custody as not attributable to the Group's product factories. The figures for 31 December 2024 have been restated accordingly.

Figures restated on a consistent basis, where necessary and material, considering the changes in the scope of reference.

31.12.2025
31.12.2024

Capital ratios (%)	
Common Equity Tier 1 capital (CET1) net of regulatory adjustments/Risk-weighted assets (Common Equity Tier 1 capital ratio)	12.6 11.1
TIER 1 Capital / Risk-weighted assets	15.6 13.7
Total owns funds / Risk-weighted assets	19.3 16.8
Risk-weighted assets (millions of euro)	256,214 301,246

Data at 31 December 2025 were determined in accordance with Regulation (EU) 2024/1623 (CRR3), which implements Basel 4 principles into European legislation. Comparative figures have not been restated.

Profitability ratios (%)	
Cost / Income	43.7 47.3
Net income / Shareholders' equity (ROE) (a)	18.3 14.0
Net income / Total assets (ROA) (b)	1.0 0.9

Figures restated on a consistent basis, where necessary and material, considering the changes in the scope of reference.

(a) Ratio of net income to shareholders' equity at the end of the period. Shareholders' equity does not take account of AT1 equity instruments and net income for the period.

(b) Ratio of net income to total assets at the end of the period.

2025 (Income statement figures)
31.12.2025 (Balance sheet figures)

2024 (Income statement figures)
31.12.2024 (Balance sheet figures)

Risk ratios (%)	
Net bad loans / Net loans to customers	0.2 0.3
Net non-performing loans / Net loans to customers	0.9 1.2
Cumulated adjustments on bad loans / Gross bad loans to customers	66.3 66.5
Cumulated adjustments on non-performing loans / Gross non-performing loans to customers	46.0 47.7

Figures restated on a consistent basis, where necessary and material, considering the changes in the scope of reference.

Operating structure	31.12.2025	31.12.2024	Changes amount
Number of employees (c)	**62,112**	**64,425**	**-2,313**
Italy	61,164	63,444	-2,280
Abroad	948	981	-33
Number of branches (d)	**2,425**	**2,743**	**-318**
Italy	2,409	2,727	-318
Abroad	16	16	-

Figures restated on a consistent basis, where necessary and material.

(c) The headcount shown refers to the actual number of employees at the end of the year, with part-time employees also counted as 1 unit.

(d) The figure includes Retail/Exclusive Branches, Non-Profit Sector Branches, Agribusiness Branches, SME Branches and Corporate Branches.

The Parent Company Intesa Sanpaolo results

Introduction

The condensed reclassified income statement and the reclassified balance sheet of the Parent Company Intesa Sanpaolo S.p.A. as at and for the year ended 31 December 2025, accompanied by a brief comment on the income statement results and balance sheet aggregates are presented below.
For other information reference is made to the Report on operations of the consolidated financial statements.

General aspects on the Reclassified Income Statement

The income statement is presented in a condensed reclassified format to enable a more immediate interpretation of the results. To guarantee comparison on a like-for-like basis, the income statement data referring to the previous periods have been restated, where necessary and if material, particularly in relation to changes in the scope of reference. This uniformity is achieved through restated figures, which include/exclude the values of the companies that entered or left the scope of reference. In this regard you are reminded that, as part of the larger project of creating a digital bank, set out in the 2022-2025 Business Plan of the Intesa Sanpaolo Group, the contribution of the second business line from Intesa Sanpaolo to Isybank S.p.A. was finalised with effect from 18 March 2024, executing the wave of migration, which involved around 78 thousand customers, for 436 million euro in direct deposits.
Given the immateriality of the related income statement effects, no restatements were made to the comparison period's data.

Certain aggregations and reclassifications have been made with respect to the format envisaged in Circular 262 of the Bank of Italy. Breakdowns of the aggregations and reclassifications are provided in separate tables included in the attachments, as also required by Consob in its Communication 6064293 of 28 July 2006.

The aggregations and reclassifications of captions in the Reclassified income statement refer to:

- dividends relating to investments carried at equity, as well as those received and paid within the framework of securities lending, which have been classified to Profits (losses) on financial assets and liabilities at fair value;
- differentials on derivatives, classified to the trading book and contracted to hedge transactions in foreign currencies, which have been allocated among Net interest income owing to the close correlation;
- periodic fees and commissions on current accounts with positive balances applied to customers (excluding the retail customers and SMEs segment) which, in accordance with the provisions of the term sheets, are accounted for as net interest income, inasmuch as they cover the financing cost incurred by the Bank;
- Profits (losses) on trading, Fair value adjustments in hedge accounting, Profits (losses) on other financial assets and liabilities measured at fair value through profit or loss, Profits (losses) on disposal or repurchase of financial assets measured at fair value through other comprehensive income and on disposal or repurchase of financial liabilities which have been reclassified to the single caption Profits (losses) on financial assets and liabilities at fair value, except for any amounts relating to adjustments to portions of loans mandatorily measured at fair value which, as they relate to the measurements of credit positions, are reclassified to the caption Net adjustments to loans in order to permit unitary representation of the adjustments relating to the same position;
- the share of the premium on the issue of the certificates paid to the networks for their placement, which is reclassified from Profits (losses) on trading and Profits (losses) on other financial assets and liabilities measured at fair value through profit or loss to Net fee and commission income;
- the costs of several incentive systems for employees of the Group's distribution networks, where funded by fee and commission income generated by the networks in question on the basis of deterministic quantification criteria correlated to the revenues concerned, which are reclassified from Personnel expenses to Fee and commission expense by analogy to the accounting treatment of incentive systems for non-employee financial advisors;
- the recoveries of expenses, taxes and duties, which have been deducted from Administrative expenses, instead of being included among Other operating income (expenses);
- Profits and losses on disposal or repurchase of financial assets measured at amortised cost (loans and debt securities representing loans), which have been allocated to Net adjustments to loans;
- Net losses/recoveries for credit risk associated with financial assets measured at amortised cost (loans and debt securities representing loans) and financial assets measured at fair value through other comprehensive income, the effects on the income statement of the changes in contracts without derecognition and the net provisions for risks and charges for credit risk relating to commitments and guarantees given, which are attributed to the single item Net adjustments to loans. The caption also includes any amounts relating to credit risk adjustments to portions of loans mandatorily measured at fair value, which, as they relate to the measurement of credit positions, are reclassified to the caption Net adjustments to loans to permit unitary representation of the adjustments relating to the same position;
- the reversal in the time value of Employee termination indemnities and Allowances for risks and charges, which has been included among Net interest income, as a phenomenon deriving directly from the application of the amortised cost criterion, in the absence of changes in projected future cash flows, in keeping with the treatment of the time value of financial assets measured at amortised cost;
- Net losses for credit risk associated with financial assets measured at amortised cost other than loans and net impairment losses on equity investments, as well as property and equipment and intangible assets (including property and other assets, also those resulting from the enforcement of guarantees or purchase at auction and intended for sale on the market in the near future), which have been reclassified to Other net provisions and net impairment losses on other assets. This last

caption consequently includes – in addition to the provisions for risks and charges other than those relating to commitments and guarantees – the valuation effects of the assets other than loans, with the sole exception of impairment losses on intangible assets that have been reclassified to Impairment (net of tax) of goodwill and other intangible assets;

- realised profits (losses) on financial assets measured at amortised cost other than loans, on equity investments and on other investments, which have been reclassified to Other income (expenses). Accordingly, in addition to the income and expenses not strictly related to operations, this caption represents the summary of the effects from the disposal of assets other than loans. Profits (Losses) realised on debt securities represent an exception; in view of their business model, which involves management closely correlated with the other financial instruments, they are classified to Profits (Losses) on financial assets and liabilities at fair value;
- the amount paid by Intesa Sanpaolo to the National Resolution Fund under the settlement agreement signed by Intesa Sanpaolo (as the absorbing company of the former UBI Banca) and the Bank of Italy (as the managing entity of the National Resolution Fund) – aimed at regulating an aspect of the contract signed on 18 January 2017 between UBI Banca and the National Resolution Fund for the transfer from the Fund to UBI Banca of the entire share capital of Nuova Banca delle Marche S.p.A., Nuova Banca dell'Etruria e del Lazio S.p.A. and Nuova Cassa di Risparmio di Chieti S.p.A. – which was reclassified from Other operating expenses (income) to Taxes on income;
- Charges (net of tax) for integration and exit incentives, which are reclassified from Personnel expenses, Administrative expenses and other captions of the income statement to a separate caption;
- the Effect of purchase price allocation, net of tax, which is indicated in a specific caption. It normally represents adjustments to and any impairment losses on financial assets and liabilities as well as property, equipment and intangible assets which are measured at fair value as provided for by IFRS 3;
- Levies and other charges concerning the banking and insurance industry, with the latter relating to the contribution to the Life Insurance Guarantee Fund, which have been reclassified, net of tax, to the specific caption;
- Impairment on goodwill, other intangible assets and controlling interests, which are shown net of tax.

Reclassified income statement

(millions of euro)

	2025	2024	Changes	
			amount	%
Net interest income	10,407	11,103	-696	-6.3
Net fee and commission income	5,974	5,700	274	4.8
Profits (Losses) on financial assets and liabilities at fair value	451	-102	553	
Other operating income (expenses)	3,224	2,120	1,104	52.1
Operating income	**20,056**	**18,821**	**1,235**	**6.6**
Personnel expenses	-5,380	-5,586	-206	-3.7
Administrative expenses	-2,200	-2,167	33	1.5
Adjustments to property, equipment and intangible assets	-1,193	-1,142	51	4.5
Operating costs	**-8,773**	**-8,895**	**-122**	**-1.4**
Operating margin	**11,283**	**9,926**	**1,357**	**13.7**
Net adjustments to loans	-1,669	-1,158	511	44.1
Other net provisions and net impairment losses on other assets	-641	-310	331	
Other income (expenses)	145	183	-38	-20.8
Income (Loss) from discontinued operations	-	-	-	-
Gross income (loss)	**9,118**	**8,641**	**477**	**5.5**
Taxes on income	-1,936	-2,246	-310	-13.8
Charges (net of tax) for integration and exit incentives	-235	-442	-207	-46.8
Effect of purchase price allocation (net of tax)	-69	-68	1	1.5
Levies and other charges concerning the banking and insurance industry (net of tax)	-22	-249	-227	-91.2
Impairment (net of tax) of goodwill, other intangible assets and controlling interests	-12	-32	-20	-62.5
Net income (loss)	**6,844**	**5,604**	**1,240**	**22.1**

Figures restated, where necessary and material, considering the changes in the scope of reference.

The income statement for the year 2025 posted net income of 6,844 million euro, compared with 5,604 million euro for the previous year (+1,240 million euro; +22.1%), while gross income, amounting to 9,118 million euro, was up by 477 million euro (+5.5%) compared to 8,641 million euro in 2024.

The annual change in net income is attributable to the following factors:
- an increase in Operating income of 1,235 million euro (+6.6%), attributable to the higher contribution from Other operating income (expenses) (+1,104 million euro; +52.1%), mainly from Dividends (+1,106 million euro; +60.6%), and the higher positive contribution from Profits (losses) on financial assets and liabilities at fair value (+553 million euro) and Net fee and commission income (+274 million euro; +4.8%), which offset the lower contribution from Net interest income (-696 million euro; -6.3%);
- the decrease in Operating costs of 122 million euro (-1.4%), mainly due to the decrease in Personnel expenses (-206 million euro; -3.7%) offset by the increase in Depreciation and amortisation of property, equipment and intangible assets (+51 million euro; +4.5%) and Administrative expenses (+33 million euro; +1.5%);
- an increase in Net adjustments to loans of 511 million euro (+44.1%);
- an increase in Other net provisions and net impairment losses on other assets of 331 million euro, of which 84 million euro due to increases in net impairments losses on securities measured at amortised cost and securities at fair value through other comprehensive income, and 246 million euro to increases in net impairment losses on other assets;
- a decrease in Other income (expenses) of 38 million euro (-21%);
- the tax effect related to the above changes;
- a decrease in Charges (net of tax) for integration of 207 million euro;
- lower Levies and other charges concerning the banking and insurance industry (net of tax) of 227 million euro;
- the decrease in Impairment (net of tax) of goodwill, other intangible assets and controlling interests of 20 million euro.

Net interest income amounted to 10,407 million euro, down by 696 million euro (-6.3%) on 2024 (11,103 million euro).
The contribution from customer dealing amounted to 6,118 million euro, down by 1,415 million euro on December 2024 (-18.8%), due to the decrease in interest on relations with customers (-1,998 million euro), as a result of the decline in interest rates, partly attenuated by lower interest expense on securities issued (583 million euro).
Interest on financial assets and liabilities amounted to 3,668 million euro, up 345 million euro (+10.4%), due to the increase in the contribution from other financial assets measured at fair value through other comprehensive income (+203 million euro) and other financial assets and liabilities measured at fair value through profit or loss (+114 million euro) and instruments measured at amortised cost which do not constitute loans (+28 million euro).
Net interest income on relations with banks, amounting to -870 million euro, decreased by 189 million euro (-17.8%). You are reminded that the trend in relations with banks also incorporates the effects of the evolution of operations with the ECB, in terms of both stocks and interest rates applied. During 2025, those relations essentially concerned on-demand deposits of available liquidity, as the funds previously obtained through the TLTRO operations were gradually repaid in 2024.
The differentials on hedging derivatives improved sharply, making a positive contribution of 226 million euro, compared to -227 million euro in December 2024.
Finally, other net interest income, including that accrued on non-performing assets and other transactions with customers, amounted to 1,266 million euro, down by 268 million euro.

Net fee and commission income amounted to 5,974 million euro, up 274 million euro (+4.8%) on the previous year (5,700 million euro).
The growth involved the management, dealing and consultancy activities in particular (+317 million euro; +11.3%), due to the higher contribution from dealing and placement of funds (+145 million euro), driven by new placements of mutual funds and certificates, from the securities and derivatives segment (+130 million euro) and from the insurance segment (+52 million euro).
In contrast, fees and commissions on commercial banking activities decreased (-77 million euro; -3.6%) across all the components and in particular in ATM and credit card services (-31 million euro), current accounts (-26 million euro) and guarantees given and received (-22 million euro).
Lastly, other net fee and commission income increased by 34 million euro, mainly due to higher fee and commission income on loans.

Profits (losses) on financial assets and liabilities at fair value made a positive contribution of 451 million euro, compared to a negative contribution of 102 million euro in 2024.
The change was mainly attributable to the improvement in profits (losses) on trading and on financial instruments under fair value option, which went from -925 million euro in December 2024 to -505 million euro at the end of 2025. The aggregate benefited in particular from the management of financial risks connected with transactions in certificates measured at fair value, also in relation to the decrease in market interest rates.
Profits (losses) on dividends and on disposal of assets measured at fair value through other comprehensive income and disposal of assets at amortised cost also made a positive contribution of +593 million euro (+125 million euro compared to 2024), primarily due to the greater contribution of the disposal of HTC securities, mainly government securities, as well as profits on assets measured at fair value through profit or loss of +447 million euro (+97 million euro compared to 2024), due in particular to the positive performance of equity instruments. In contrast, there were negative contributions from profits (losses) on the repurchase of financial liabilities of -79 million euro (-75 million euro compared to 2024) and from profits (losses) on hedges under hedge accounting of -5 million euro (-14 million euro compared to 2024).

Other operating income (expenses) amounted to 3,224 million euro compared to 2,120 million euro in 2024, an increase of 1,104 million euro (+52.1%). The aggregate includes dividends from investees, with the remainder comprised of other net operating income. The change in the caption was almost fully attributable to the dividend component, which was up by 1,106 million euro (+60.6%). In particular, in 2025, dividends were recorded totalling around 2,932 million euro, compared to 1,826 million euro in 2024. Other net operating income amounted to 292 million euro, down by 2 million euro on 2024 (-0.8%).

As a result of these changes, Operating income amounted to 20,056 million euro, up 1,235 million euro (+6.6%) on the figure for the previous year, which amounted to 18,821 million euro.

Operating costs amounted to 8,773 million euro, down on December 2024 (-122 million euro; -1.4%), due to the reduction in personnel expenses, which fell from 5,586 million euro to 5,380 million euro (-206 million euro; -3.7%), partially offset by the increase in depreciation and amortisation of property, equipment and intangible assets, which came to 1,193 million euro compared to 1,142 million euro at the end of December 2024 (+51 million euro; +4.5%) and administrative expenses, which rose from 2,167 million euro to 2,200 million euro (+33 million euro; +1.5%).
With specific reference to personnel expenses, the decrease of 206 million euro reflected the savings due to the decrease in the workforce, also as a result of the negotiated exits, and the trend in the variable portion, which more than offset the contractual increases during the period.

With regard to administrative expenses, the increase of 33 million euro was mainly attributable to the costs for outsourcing and for services rendered by third parties (+34 million euro), general structure costs (+18 million euro) and advertising and promotional expenses (+17 million euro), partially offset by the decrease in management of real estate assets expenses (-23 million euro), linked to measures to contain consumption, to the plan for the merger of certain branches and to the disposal of several properties, to information technology expenses (-12 million euro) and to legal and professional expenses (-10 million euro).

Lastly, the increase of 51 million euro in depreciation and amortisation of property, equipment and intangible assets included 59 million euro attributable to intangible assets, as a result of technology investments in software, continuing the development already implemented during the previous year.

The trends in operating income and costs described above resulted in an Operating margin of 11,283 million euro, compared to 9,926 million euro in the previous year, representing an increase of 1,357 million euro, corresponding to +13.7%. The cost/income ratio stood at 43.7%, down significantly from December 2024 (47.3%).

Net adjustments to loans amounted to 1,669 million euro (including adjustments to favour de-risking), up by 511 million euro (+44.1%) compared to 2024 (1,158 million euro).
The movement in the caption was mainly attributable to an increase in adjustments to Stage 3 non-performing loans (+435 million euro) – resulting from the rise in bad loans (327 million euro) and unlikely-to-pay loans (206 million euro), partially offset by the decrease in adjustments to past due loans (98 million euro) – and, to a lesser extent, the trend in Stage 1 and 2 performing loans, which showed lower recoveries overall (14 million euro). There was also a negative impact, with increased provisions of 70 million euro, from net provisions relating to commitments and guarantees given. The contribution during the year from changes in contracts without derecognition was minimal (compared with 8 million euro of net losses as at December 2024).
In December 2025, the gross NPL (non performing loans) to total loans ratio stood at 1.7%, down on the figure at the end of 2024 (2.3%). The cost of credit – expressed as the ratio of net adjustments to net loans – stood at 47 basis points compared to 33 basis points in 2024.
The coverage ratio of non-performing loans at the end of 2025 was 46%. Specifically, bad loans required net adjustments of 556 million euro, up on the figure for December 2024 (229 million euro), with a coverage ratio of 66.3%. Net adjustments to unlikely-to-pay loans, totalling 896 million euro, were up (+29.9%) from 690 million euro recorded in 2024; the coverage ratio for these exposures stood at 39.3%. Net adjustments to past-due loans amounted to 230 million euro (328 million euro in December 2024), with a coverage ratio of 22.5%. The coverage ratio for forborne positions within the non-performing loan category was 37.7%. Finally, the coverage ratio of performing loans was 0.4% and incorporated the physiological risk inherent in the loan portfolio.

Other net provisions and net impairment losses on other assets amounted to 641 million euro, compared to 310 million euro in December 2024, an increase of 331 million euro. These related to provisions for legal disputes and other charges (108 million euro), net impairment losses on debt securities measured at amortised cost which do not consitute loans and on debt securities measured at fair value through other comprehensive income (98 million euro) – mainly relating to the securities at amortised cost component – and net impairment losses on other assets (435 million euro), mainly aimed at strengthening the balance sheet.

Other income (expenses), which include profits (losses) on financial assets measured at amortised cost other than loans, on equity investments and on other investments, as well as other income and expenses not strictly linked to operations, amounted to 145 million euro as at December 2025, compared to 183 million euro in 2024. In both years, this caption benefited from income related to commercial agreements entered into by the Bank.

Gross income consequently amounted to 9,118 million euro, up 477 million euro (+5.5%) on the previous year (8,641 million euro).

Taxes on income calculated on the components contributing to gross income amounted to 1,936 million euro, compared to 2,246 million euro in the previous period. This caption includes a tax benefit of 330 million euro, deriving from the recognition of deferred tax assets and from other tax items.

Charges (net of tax) for integration and exit incentives amounted to 235 million euro and mainly related to depreciation and amortisation (148 million euro), personnel expenses (69 million euro) and administrative expenses (22 million euro). These compare with 442 million euro in December 2024, attributable to depreciation and amortisation (129 million euro), personnel expenses (292 million euro) and administrative expenses (21 million euro).

The effect of purchase price allocation (net of taxes) amounted to -69 million euro, in line with December 2024. This caption comprises the income statement effects (adjustments and/or impairment losses) mainly attributable to the valuations of loans, debts, real estate and the recognition of new intangible assets, in application of IFRS 3, upon recognition of acquisition of equity investments and/or balance sheet aggregates.

Levies and other charges concerning the banking and insurance industry (net of tax) include the levies imposed by legislative provisions and/or aimed at maintaining the stability of the banking and insurance industry and consequently outside the company management.
In December 2025, this caption, amounting to 22 million euro, included, net of related tax effect, 16 million euro attributable to deposit guarantee schemes and 7 million euro attributable to the Life Insurance Guarantee Fund, as well as a total positive impact of 1 million euro resulting from the valuation of Atlante Fund and Italian Recovery Fund. It compares with 249 million euro recorded in December 2024, which included 211 million euro relating to deposit guarantee schemes.

The Impairment (net of tax) of goodwill, other intangible assets and controlling interests amounted to -12 million euro, due to the write-down of several controlling interests. In December 2024 this caption amounted to -32 million euro, of which -32.5 million euro related to the write-down of certain controlling interests and +0.5 million euro to the partial release of the provision made to cover indirect risks arising from the investment in Pravex Bank Joint-Stock Company, in relation to the ongoing conflict, to align the values with the contribution of the subsidiary to the Group’s financial statements.

General aspects relating to the Reclassified Balance Sheet

A reclassified balance sheet has been prepared to permit a more immediate understanding of the assets and liabilities.
As already stated with regard to the income statement figures, it was not necessary to restate the balance sheet figures for the previous period on a like-for-like basis, due to the immaterial impact of the transfer of business lines from Intesa Sanpaolo to Isybank, completed under the broader project for the creation of a digital bank, as set out in the Intesa Sanpaolo Group's 2022-2025 Business Plan.

Certain aggregations and reclassifications have been made with respect to the model provided in Circular 262/2005 of the Bank of Italy. Breakdowns of aggregations and reclassifications are provided in separate tables included in the attachments to this report, as also required by Consob in its Communication 6064293 of 28 July 2006.

The aggregations and reclassifications of the captions of the reclassified balance sheet related to:

- the separate presentation of financial assets constituting Due from banks and Loans to customers, regardless of the accounting portfolios to which they have been allocated;
- the separate presentation of financial assets not constituting loans, divided into financial assets measured at amortised cost, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income, net of the amounts reclassified to Due from banks and Loans to customers;
- the aggregation in one single caption of Property, equipment and intangible assets, broken down into the sub-captions Assets owned and Rights of use acquired under leases;
- the inclusion of Hedging derivatives and Fair value change of financial assets/liabilities in hedged portfolios under Other assets/ Other liabilities;
- the separate presentation of Due to banks at amortised cost;
- the aggregation of Due to customers at amortised cost and Securities issued into one caption;
- the aggregation in one single caption (Allowances for risks and charges) of allowances for specific purposes (Employee termination indemnities and Allowances for risks and charges regarding: commitments and guarantees given, post-employment benefits and other allowances for risks and charges);
- the reclassification of Lease payables to a specific sub-caption of Other liabilities;
- the presentation of Reserves as an aggregate and net of any own shares.

Reclassified balance sheet

(millions of euro)

Assets	31.12.2025	31.12.2024	Changes	
			amount	%
Cash and cash equivalents	24,951	26,201	-1,250	-4.8
Due from banks	46,133	36,462	9,671	26.5
Loans to customers	353,181	355,103	*-1,922*	*-0.5*
Loans to customers measured at amortised cost	*350,278*	*353,667*	*-3,389*	*-1.0*
Loans to customers measured at fair value through other comprehensive income and through profit or loss	*2,903*	*1,436*	*1,467*	
Financial assets measured at amortised cost which do not constitute loans	60,026	56,540	3,486	6.2
Financial assets measured at fair value through profit or loss	51,282	46,709	*4,573*	*9.8*
Financial assets measured at fair value through other comprehensive income	68,349	57,698	10,651	18.5
Equity Investments	25,024	25,659	-635	-2.5
Property, equipment and intangible assets	11,974	12,049	-75	-0.6
Assets owned	*11,124*	*11,121*	*3*	-
Rights of use acquired under leases	*850*	*928*	*-78*	*-8.4*
Tax assets	9,918	11,617	-1,699	-14.6
Non-current assets held for sale and discontinued operations	1,024	577	447	77.5
Other assets	22,053	29,915	-7,862	-26.3
Total Assets	**673,915**	**658,530**	**15,385**	**2.3**

Liabilities	31.12.2025	31.12.2024	Changes	
			amount	%
Due to banks at amortised cost	82,505	70,452	12,053	17.1
Due to customers at amortised cost and securities issued	457,266	448,189	9,077	2.0
Financial liabilities held for trading	40,710	44,291	-3,581	-8.1
Financial liabilities designated at fair value	27,200	23,440	3,760	16.0
Tax liabilities	1,092	529	563	
Liabilities associated with non-current assets held for sale and discontinued operations	45	5	40	
Other liabilities	9,821	13,383	-3,562	-26.6
of which lease payables	*880*	*955*	*-75*	*-7.9*
Allowances for risks and charges	3,419	3,872	-453	-11.7
of which allowances for commitments and financial guarantees given	*554*	*427*	*127*	*29.7*
Share capital	10,369	10,369	-	-
Reserves	29,307	32,704	-3,397	-10.4
Valuation reserves	885	26	859	
Interim dividend	-3,234	-3,022	212	7.0
Equity instruments	7,686	8,688	-1,002	-11.5
Net income (loss)	6,844	5,604	1,240	22.1
Total liabilities and shareholders' equity	**673,915**	**658,530**	**15,385**	**2.3**

Figures restated, where necessary and material, considering the changes in the scope of reference.

Comments are provided below on the main balance sheet aggregates as at 31 December 2025 compared with those as at 31 December 2024.

As at 31 December 2025, Loans to customers totalled 353.2 billion euro[393], down slightly on 355.1 billion euro for the previous year (-1.9 billion euro; -0.5%). This was mainly due to the decrease in commercial banking loans (-6.8 billion euro; -2.1%), in particular short-term loans in the form of advances and other loans (-4.9 billion euro; -4.1%) and, to a less significant extent, mortgage loans (-1.9 billion euro; -0.9%).
In contrast, there was an increase in repurchase agreements (+4 billion euro; +22.3%) and loans represented by securities (+2 billion euro; +34.6%).
Lastly, non-performing loans decreased, from 4.3 billion euro on 31 December 2024 to 3.3 billion euro at the end of 2025, also as a result of the de-risking initiatives carried out during the year, consistent with the Bank's Zero-NPL (non-performing loans) status declared in the 2022-2025 Business Plan.
The trends in the individual components show:

- a decrease in bad loans from 951 million euro to 568 million euro (-40.3%), with a coverage ratio of 66.3%;
- a reduction in unlikely-to-pay loans, which fell from 3.1 billion euro to 2.4 billion euro, corresponding to -21.5%, with a coverage ratio of 39.3%;
- a decrease in past-due loans, which amounted to 236 million euro compared to 278 million euro as at 31 December 2024 (-15%), with a coverage ratio of 22.5%.

The non-performing loans percentage of total net loans to customers amounted to 0.9% (0.8% according to the EBA definition), a further improvement on December 2024 (1.1% according to the EBA definition), with a coverage ratio for non-performing loans of 46%.
Performing loans amounted to 342.2 billion euro, compared to 344.9 billion euro as at 31 December 2024, representing a decrease of 2.8 billion euro (-0.8%). The related average coverage was 0.37% (Stage 1 at 0.10% and Stage 2 at 3.96%), down slightly on December 2024 (0.41%, of which Stage 1 at 0.11% and Stage 2 at 4.29%).
Within the non-performing loan category, forborne exposures, related to forbearance measures for borrowers experiencing difficulty in meeting their financial obligations, amounted to 1.1 billion euro, with a coverage ratio of 37.7%. Forborne exposures in the performing loan category amounted to 3.8 billion euro.

As at 31 December 2025, total financial assets amounted to 179.7 billion euro, up by 18.7 billion euro compared to December 2024 (+11.6%). This growth was mainly attributable to the rise in the stock of debt securities issued by governments (+13.6 billion euro; +16.2%), other debt securities (+6 billion euro; +16.2%) and credit derivatives (+2 billion euro; +66.2%), partially offset by the decrease in equities (-1.8 billion euro; -19.6%) and financial derivatives (-1 billion euro; -4.3%).
Financial liabilities held for trading decreased by 4 billion euro (-11.4%) to 31.2 billion euro. The change was due to the reduction in amounts due to banks (-1.6 billion euro) and financial derivatives (-4.5 billion euro), only partially offset by the increase in credit derivatives (+2.1 billion euro).

More specifically, Financial assets measured at fair value through profit or loss – which include financial and credit derivatives, as well as debt and equity securities held for trading and mandatorily measured at fair value – amounted to 51.3 billion euro, an increase of 4.6 billion euro on December 2024 (+9.8%), of which +4.3 billion euro related to debt securities issued by governments and +2 billion euro to credit derivatives (+66.2%) and +1.1 billion euro to debt securities (+24.3%), partially offset by the decrease in equities of 1.9 billion euro (-23.2%) and financial derivatives of 1 billion euro (-4.3%).

Financial assets measured at fair value through other comprehensive income amounted to 68.3 billion euro. These assets, which consisted of debt securities of 67 billion euro and equity investments and private equity interests of 1.3 billion euro, increased by 10.7 billion euro (+18.5%), primarily due to non-structured debt securities. HTCS debt securities have primarily been classified to Stage 1 (98.9%).

Financial assets measured at amortised cost which do not constitute loans amounted to 60 billion euro, up by +3.5 billion euro (+6.2%) compared to the end of the previous year, in particular as a result of the increase in debt securities issued by governments (+2.4 billion euro) and banks (+2 billion euro), offset by the decrease in debt securities issued by other financial companies (-0.9 billion euro). HTC debt securities have primarily been classified to Stage 1 (95.5%).

Direct customer deposits, consisting of Amounts due to customers and securities issued, including those measured at fair value, as well as certificates, which are a form of funding not measured at amortised cost alternative to bonds, totalled 493.9 billion euro, including 19 billion euro relating to an institutional customer previously classified under due to banks, up on 31 December 2024 (+2.8%, or 13.3 billion euro). Specifically, there was an increase in repurchase agreements and securities lending (+99%, or +15.5 billion euro), attributable to 12.5 billion euro from the above reclassification, and in other deposits (+27.2%, or +13 billion euro), thanks to the performance of certificates (+4.2 billion euro), incorporating the positive impact of the above-mentioned reclassification (+6.3 billion euro). This positive performance was partially offset by the fall in bonds (-11.8%, or -11.5 billion euro) and current accounts and deposits (-1.7%, or -5.1 billion euro).

As at 31 December 2025, the net interbank position – calculated considering all the on-demand liquidity, both at Central Banks and at other banks, recognised under Cash and cash equivalents – had a negative imbalance of 13.8 billion euro, compared to -10.2 billion euro at the end of 2024, representing an increase of 3.6 billion euro, corresponding to +35.4%.
The movement reflected a significant increase both in the aggregate of cash and cash equivalents and amounts due from banks (+14%, or 8.4 billion euro, of which +7.1 billion euro related to repurchase agreements), and in amounts due to banks (+17.1%, or 12.1 billion euro), mainly as a result of the increase in repurchase agreements (+12.5 billion euro).

[393] As at 31 December 2025, the aggregate includes 1.2 billion euro referring to an institutional customer that returned its banking licence previously classified under due from banks, of which 0.1 billion euro on current accounts and 1.1 billion euro on advances and loans.

The figures as at 31 December 2025 do not include the amounts relating to an institutional customer, reclassified from “banks” to “customers” due to the return of its banking licence, which comprised liabilities of 19 billion euro, specifically the components of repurchase agreements amounting to 12.5 billion euro and other liabilities amounting to 6.3 billion euro, and assets of 1.2 billion euro, concentrated on other loans, and marginally on current accounts and on-demand deposits.

Equity investments, which amounted to 25 billion euro, included controlling interests in subsidiaries, associates and companies subject to joint control, and were down slightly by 0.6 billion euro from the end of the previous year (-2.5%).

Property, equipment and intangible assets amounted to 12 billion euro, down slightly by 0.1 billion euro (-0.6%) on 31 December 2024.

Tax assets, net of tax liabilities, amounted to 8.8 billion euro, a decrease of 2.3 billion euro (-20.4%) compared to 31 December 2024. This caption included the amount of 548 million euro as a one-off levy in accordance with Article 1, paragraphs 69-71 of Law No. 199 of 30 December 2025.

Allowances for risks and charges amounted to 3.4 billion euro, down from 3.9 billion euro at the end of the previous year (-0.5 billion euro; -11.7%), mainly due to the reduction in Other allowances for risks and charges for personnel (-0.4 billion euro, or -21.4%).

As at 31 December 2025, Non-current assets held for sale and discontinued operations (1,024 million euro) and related liabilities (45 million euro) included assets and related liabilities no longer attributable to continuing operations as they are being disposed of. These mainly consist of property and equipment and loans held for sale in 2026.

Shareholders’ equity stood at 51.9 billion euro, compared to 54.4 billion euro as at 31 December 2024.
The aggregate incorporated the income accrued during the year (6.8 billion euro) and was impacted by the distribution of the remaining dividend on 2024 income in May 2025 (-3 billion euro) and the interim dividend on 2025 income paid in November 2025 (-3.2 billion euro).
The Shareholders’ equity as at 31 December 2025 also reflected: (i) the decrease in reserves of 2 billion euro relating to the programme of purchase of own shares for annulment (buyback) which was executed in the manner and within the terms approved by the Shareholders’ Meeting of Intesa Sanpaolo on 29 April 2025, from 2 June to 17 October 2025; (ii) the movements in AT1 capital instruments (new issues and early redemptions) resulting in an overall change of around -1 billion euro; and (iii) the recognition of the one-off levy of 548 million euro in accordance with Article 1, paragraphs 69-71 of Law No. 199 of 30 December 2025, equivalent to 27.5% of the Net income reserve pursuant to Law 136 of 9/10/2023 of 1,991 million euro. The Shareholders’ Meeting of Intesa Sanpaolo to which the approval of the 2025 Annual Report is submitted is called upon to decide on the approval of the allocation of the one-off levy to the Share Premium Reserve.

Other information

Pursuant to article 2497 and subsequent articles of the Italian Civil Code, Intesa Sanpaolo exercises management and coordination activities for its direct and indirect subsidiaries, including companies which, on the basis of current laws, are not part of the Banking group, with the exception of Risanamento S.p.A. and its subsidiaries.
This Report on operations of Intesa Sanpaolo S.p.A. includes only a comment on the Bank's performance, as shown in the previous pages, and related Alternative Performance Measures. For all other information required by laws or regulations, reference should be made to the Notes to these Parent Company's financial statements or the Consolidated financial statements and to the related Report on operations, when illustrating specific themes.

Specifically, reference should be made to the Notes to these Parent Company's financial statements with regard to:
- the Bank's connections and transactions with related parties, which are provided in Part H. To enable a comprehensive understanding, Part H presents not only the information required by IAS 24 but also that required by Article 5, paragraph 8, of Consob Regulation 17221 of 12 March 2010 (adopted pursuant to Article 2391-bis of the Italian Civil Code);
- information on financial risk (credit risk and market risk), as well as liquidity risk and operational risk, described in Part E, with references to the same section in the Notes to the consolidated financial statements, also regarding the objectives and policies on the assumption, management and hedging of financial risks;
- the list of subsidiaries, companies subject to joint control and companies subject to significant influence, provided in Part B - Assets - Section 7;
- transactions with subsidiaries, companies subject to joint control and companies subject to significant influence, provided in Part H;
- detailed information on capital, contained in Part B - Liabilities - Section 12, together with the movements in own shares, and in Part F.

Reference should instead be made to the Consolidated financial statements with regard to:
- information on the main risks and uncertainties, illustrated in the chapter "Overview of 2025" of the Report on operations, which also includes the management's going concern assessment;
- the disclosure on oversight activities and main accounting issues related to the Russia-Ukraine risk, included in the above-mentioned chapter "Overview of 2025". Further information in this regard is provided in the Notes to the consolidated financial statements, in Part E - Information on risks and relative hedging policies, in the section on credit risk, where the exposures to Russia and Ukraine and the related valuation aspects are discussed. Such disclosure supplements and completes what already covered in Part A - Section 4 - Other aspects of the Notes to the financial statements regarding several aspects of risks, uncertainties and impacts linked to the war;
- the information on the corporate sustainability reporting pursuant to Legislative Decree 125 of 6 September 2024 (which implemented in Italy Directive 2022/2464/EU on corporate sustainability reporting) which, as permitted by the regulations, was provided at Group level and, therefore, included in a specific section of the Report on operations of the consolidated financial statements, called "Consolidated Sustainability Statement";
- more in general, ESG (Environmental, Social and Governance) and climate-related topics, whose identification and oversight are discussed in Part A, Section 5 – Other aspects, of the Notes to the consolidated financial statements, which also summarises the characteristics and risk aspects of the financial instruments in the context of the Group's green financing activities, while Part E, Scope of risks, illustrates the integration of ESG risks, climate-related risk in particular, within the risk management framework;
- the certification of compliance, during the year 2025, with the conditions required by Article 15 of Consob Market Regulation 20249/2017 (as amended) for the listing of shares of companies controlling companies established and regulated under the laws of non-EU countries, provided in Part E of the Notes to the consolidated financial statements, in the introductory section on the Manager responsible for preparing the Company's financial reports;
- the definition and calculation of the Alternative Performance Measures used, provided in a specific chapter of the Report on operations of the consolidated financial statements;
- the reference scenario and Intesa Sanpaolo's highlights, reported in the previously mentioned "Overview of 2025" chapter of the Report on operations.

With regard to the information on Intesa Sanpaolo's corporate governance and ownership structure required by Article 123-bis of the Consolidated Law on Finance, Intesa Sanpaolo has opted to present this information in a separate document from the Report on operations, approved by the Board of Directors and published together with the Report. Accordingly, in addition to the summary provided in the Report on operations of the consolidated financial statements (chapter "Corporate Governance and remuneration policies"), see the separate "Report on Corporate Governance and Ownership Structures", available in the Governance section of the Group's website at www.group.intesasanpaolo.com.
Finally, the disclosure on remuneration pursuant to Article 123-ter of the Consolidated Law on Finance is summarised in the Report on operations of the consolidated financial statements (chapter "Corporate Governance and remuneration policies") and illustrated in the separate "Report on remuneration policy and compensation paid", published in the Governance section of the Group's website.

Forecast for 2026

In 2026, Intesa Sanpaolo's net income is expected to increase compared to 2025, resulting mainly – on one hand – from growth in net interest income and fee and commission income and lower adjustments, and – on the other – from higher taxation (due to the Italian Budget Act).

A value distribution is envisaged with a payout ratio for 2026 of 95% of the consolidated stated net income, of which 75% through cash dividends[394] and 20% through buybacks[395].

The Board of Directors

Turin, 26 February 2026

[394] Subject to the approval from the Shareholders' Meeting.

[395] If the consolidated Common Equity Tier 1 ratio exceeds 12.5% and no options for higher-ROI (Return On Investment) capital allocation to external growth are available (focusing on Wealth Management). Subject to approvals from the Shareholders' Meeting and the ECB.

Proposals to the Shareholders' Meeting

Distinguished Shareholders,

pursuant to Article 2364 of the Italian Civil Code and Articles 7.3 and 29.3 of the Company's Articles of Association, we hereby submit for your approval the financial statements of the Parent Company Intesa Sanpaolo S.p.A. as at and for the year ended 31 December 2025 and the related proposal for allocation of net income for the year and distribution of reserves. The movements and reclassifications made to the shareholders' equity items are described in Section 12 of Part B - Liabilities of the Notes to the financial statements.

As a preliminary remark, it should be recalled that Article 26 of Decree Law no. 104/2023, converted with amendments by Law no. 136 of 9 October 2023, included a provision for a one-off tax at a rate of 40% for the year 2023 calculated on the increase in net interest income with a cap of 0.26% of the RWAs (the "Tax"), for the banks identified in Article 1 of the Consolidated Law on Banking (Legislative Decree no. 385 of 1 September 1993). This provision established that, in lieu of the payment the Tax, when approving the financial statements for the financial year prior to 1 January 2024, banks could allocate an amount of no less than 2.5 times the Tax to a non-distributable reserve identified for this purpose. In this regard, as previously disclosed, in consideration of the opportunity granted by the law to strengthen the company's capital base, the ordinary Shareholders' Meeting held on 24 April 2024 approved the allocation of 1,991,446,276.10 euro (equal to 2.5 times the Tax) to a specific reserve (*Net income reserve pursuant to Law 136 of 9/10/2023* – the "2023 Reserve").

In this regard, Article 1, paragraph 68 of Law No. 199 of 30 December 2025 (the "2026 Budget Act"), added a new paragraph to Article 26 of Decree Law no. 104/2023 establishing that, irrespective of the resolution of the shareholders' meeting, the distribution of dividends (including interim dividends) or reserves by banks starting from the financial year beginning after 1 January 2028 (therefore from 1 January 2029) shall be deemed to be made prioritising the use of the 2023 Reserve, resulting in the obligation to pay the Tax at a rate of 40%, plus interest calculated from 30 June 2024. However, the possibility was also provided, until 31 December 2028, to make the 2023 Reserve subject to a one-off levy ("Levy") at the following rates:

- 27.5% for the existing reserves in the financial statements as at 31 December 2025;
- 33% for the existing reserves in the financial statements as at 31 December 2026.

The Levy must be paid through the income tax return for the tax period in relation to which it has been applied and paid by the deadline set for the payment of the balance of the income tax for the same period.
According to express provision of the Law, the Levy applies to the 2023 Reserve regardless of the nature of the items that contributed to its formation and the manner of its establishment. If the Levy is applied according to the terms described above, also in terms of timing, the Tax at the rate of 40% plus interest does not apply.

In relation to the above, we inform you that on 2 February 2026 the Board of Directors resolved to pay the Levy at a rate of 27.5% of the 2023 Reserve, by allocating the related amount, of 547,647,725.93 euro, to the Share premium reserve. At the same meeting, the Board of Directors also resolved to submit a proposal to the Shareholders' Meeting to allocate the entire amount recorded in the 2023 Reserve to the Extraordinary reserve, with effect from the payment of the Levy in the income tax return for the period in relation to which it is applied. This will result in the elimination of the 2023 Reserve, because, once the requirement to apply the Levy has been fulfilled, the 2023 Reserve will become freely available without any further obligations for Intesa Sanpaolo S.p.A.

We therefore propose that you recognise the decision of the Board to pay the Levy and consequently approve the allocation of the Levy to the Share premium reserve, as well as the allocation of the entire amount recorded in the 2023 Reserve to the Extraordinary reserve, with effect from the payment of the Levy in the income tax return for the period in relation to which it is applied, resulting in the elimination of the 2023 Reserve, because, once the requirement to apply the Levy has been fulfilled, the 2023 Reserve will become freely available without any further obligations for Intesa Sanpaolo S.p.A.

With regard to the allocation of the net income for the year 2025, in accordance with Article 6, paragraph 1, letter a) of Legislative Decree 38/2005 currently in force, a portion of that net income corresponding to capital gains recognised in the income statement, net of the related tax charge and other than the gains from trading financial instruments and foreign exchange and hedging transactions, arising from application of the fair value criterion, must be recorded in an unavailable reserve. As at 31 December 2025, this portion amounted to 559,300,019.30 euro. Also as a result of the application of the above-mentioned article, following the realisation of capital gains or the recognition of losses, the unavailable reserve was reduced, through a transfer to the Extraordinary reserve, by 378,253,966.28 euro, making this amount available for distribution.

Moreover, on 31 October 2025, in compliance with the provisions of paragraph 4 of Article 2433-bis of the Italian Civil Code, the Board of Directors approved the distribution of an interim dividend from the 2025 net income, totalling 3,233,844,856.62 euro[396], corresponding to a unit amount of 18.60 euro cents for each of the 17,386,262,670 ordinary shares outstanding on the record date of 25 November 2025. The dividend was paid out on 26 November 2025 (with coupon presentation on 24 November 2025).

[396] It does not include the interim dividend on the 27,126,943 own shares held at the record date, equal to 5,045,611.40 euro.

Given the above, the following proposals for the allocation of the net income for the year and the distribution of reserves are submitted for your approval:

	(euro)
Net income for the year	6,843,709,741.88
Allocation to the Reserve pursuant to Article 6 paragraph 1, letter a) of Legislative Decree no. 38/2005	559,300,019.30
Interim dividend for 2025 of 18.60 euro cents, as approved by the Board of Directors on 31 October 2025 and distributed on 26 November 2025, for each of the 17,386,262,670 ordinary shares outstanding on the record date of 25 November 2025, for a total of	3,233,844,856.62
Allocation of a dividend of 17.30 euro cents per share to the 17,413,389,613 ordinary shares currently constituting the share capital, for a total of	3,012,516,403.05
Assignment to the Allowance for charitable, social and cultural contributions	30,000,000.00
Assignment to the Extraordinary reserve of the residual net income	8,048,462.91
Distribution from the available portion of Share premium reserve of a unit amount of 1.70 euro cents, totalling	296,027,623.42

Therefore, the dividend for the year 2025 – considering the interim dividend of 3,234 million euro already paid and the remaining dividend of approximately 3,013 million euro yet to be paid – and the distribution of the available portion of reserves of 296 million euro would result in a total distributed amount of around 6,542 million euro, corresponding to a payout ratio of 70% of consolidated net income.
This distribution of reserves shall be subject to the same tax regime as the distribution of dividends.

If this proposal is approved[397], the consolidated capital requirements would show a Common Equity Tier 1 ratio of 13.2% and a Total Capital Ratio of 18.7%, both amply meeting the requirements of the EU Bodies and the Supervisory Authority. At Parent Company level as well, the capital requirements would be well above the minimum requirements.

We propose that the remaining dividend for 2025, as well as the distribution of reserves, be paid, in compliance with the legal provisions, with effect from 20 May 2026 (payment date), with record date pursuant to Article 83-terdecies of the Consolidated Law on Finance on 19 May 2026 and coupon presentation date on 18 May 2026.

Any own shares held by the Bank on the record date will not be entitled to dividends or distributions from the Share premium reserve, and the related amounts will be transferred to the Extraordinary reserve.

If the proposals are approved by you, the shareholders' equity of Intesa Sanpaolo S.p.A. will be as shown in the table below.

(millions of euro)

Shareholders' equity	Annual Report 2025	Changes	Share capital and reserves of Annual Report 2025 after the Shareholders' Meeting resolutions
Share capital	**10,369**	**-**	**10,369**
Share premium reserve	24,437	-296	24,141
Reserves (including the Extraordinary reserve)	4,996	567	5,563
Valuation reserves	885	-	885
Equity instruments	7,686	-	7,686
Interim dividend	-3,234	3,234	-
Own shares	-126	-	-126
Total reserves	**34,644**	**3,505**	**38,149**
TOTAL	**45,013**	**3,505**	**48,518**

The Board of Directors

Turin, 26 February 2026

[397] Considering a buyback amount of 2.3 billion euro authorised by the ECB, to be launched in July 2026, subject to the approval of the Shareholders' Meeting.

Parent Company's financial statements

Financial statements

Balance sheet

(euro)

Assets		31.12.2025	31.12.2024	Changes amount	Changes %
10.	Cash and cash equivalents	24,951,114,562	26,201,082,223	-1,249,967,661	-4.8
20.	Financial assets measured at fair value through profit or loss	51,845,482,732	47,294,542,518	4,550,940,214	9.6
	a) financial assets held for trading	*46,873,433,316*	*42,529,311,636*	*4,344,121,680*	*10.2*
	b) financial assets designated at fair value	*-*	*1,552,447*	*-1,552,447*	
	c) other financial assets mandatorily measured at fair value	*4,972,049,416*	*4,763,678,435*	*208,370,981*	*4.4*
30.	Financial assets measured at fair value through other comprehensive income	70,772,940,386	58,611,996,503	12,160,943,883	20.7
40.	Financial assets measured at amortised cost	456,352,572,313	446,605,194,584	9,747,377,729	2.2
	a) due from banks	*50,061,713,737*	*38,429,971,278*	*11,631,742,459*	*30.3*
	b) loans to customers	*406,290,858,576*	*408,175,223,306*	*-1,884,364,730*	*-0.5*
50.	Hedging derivatives	6,802,971,784	5,782,280,340	1,020,691,444	17.7
60.	Fair value change of financial assets in hedged portfolios (+/-)	-5,907,306,916	-3,572,021,913	2,335,285,003	65.4
70.	Equity investments	25,024,456,453	25,659,096,238	-634,639,785	-2.5
80.	Property and equipment	7,070,321,673	7,255,248,447	-184,926,774	-2.5
90.	Intangible assets	4,903,879,480	4,793,600,571	110,278,909	2.3
	of which:				
	- goodwill	*67,487,402*	*67,487,402*	*-*	*-*
100.	Tax assets	9,918,052,184	11,617,204,405	-1,699,152,221	-14.6
	a) current	*887,342,156*	*1,472,690,740*	*-585,348,584*	*-39.7*
	b) deferred	*9,030,710,028*	*10,144,513,665*	*-1,113,803,637*	*-11.0*
110.	Non-current assets held for sale and discontinued operations	1,024,307,396	577,382,307	446,925,089	77.4
120.	Other assets	21,156,170,743	27,704,860,942	-6,548,690,199	-23.6
Total assets		**673,914,962,790**	**658,530,467,165**	**15,384,495,625**	**2.3**

Balance sheet

(euro)

Liabilities and Shareholders' Equity		31.12.2025	31.12.2024	Changes amount	Changes %
10.	Financial liabilities measured at amortised cost	540,650,922,270	519,596,306,832	21,054,615,438	4.1
	a) due to banks	*82,508,209,645*	*70,456,989,902*	*12,051,219,743*	*17.1*
	b) due to customers	*356,592,780,140*	*338,184,988,110*	*18,407,792,030*	*5.4*
	c) securities issued	*101,549,932,485*	*110,954,328,820*	*-9,404,396,335*	*-8.5*
20.	Financial liabilities held for trading	40,710,236,471	44,291,359,791	-3,581,123,320	-8.1
30.	Financial liabilities designated at fair value	27,199,671,656	23,439,656,922	3,760,014,734	16.0
40.	Hedging derivatives	2,193,477,756	3,740,909,100	-1,547,431,344	-41.4
50.	Fair value change of financial liabilities in hedged portfolios (+/-)	-2,879,148,075	-1,803,199,623	1,075,948,452	59.7
60.	Tax liabilities	1,092,353,302	529,532,928	562,820,374	
	a) current	*651,061,448*	*107,973,165*	*543,088,283*	
	b) deferred	*441,291,854*	*421,559,763*	*19,732,091*	*4.7*
70.	Liabilities associated with non-current assets held for sale and discontinued operations	44,625,300	4,889,771	39,735,529	
80.	Other liabilities	9,625,675,323	10,490,889,806	-865,214,483	-8.2
90.	Employee termination indemnities	569,318,727	651,875,074	-82,556,347	-12.7
100.	Allowances for risks and charges	2,850,415,792	3,220,081,163	-369,665,371	-11.5
	a) commitments and guarantees given	*554,402,498*	*426,897,632*	*127,504,866*	*29.9*
	b) post-employment benefits	*29,529,023*	*60,324,743*	*-30,795,720*	*-51.0*
	c) other allowances for risks and charges	*2,266,484,271*	*2,732,858,788*	*-466,374,517*	*-17.1*
110.	Valuation reserves	885,191,996	25,669,674	859,522,322	
120.	Redeemable shares	-	-	-	-
130.	Equity instruments	7,686,190,395	8,687,976,570	-1,001,786,175	-11.5
140.	Reserves	4,995,753,938	5,024,075,963	-28,322,025	-0.6
145.	Interim dividend (-)	-3,233,844,857	-3,022,396,313	211,448,544	7.0
150.	Share premium reserve	24,437,183,488	27,760,194,096	-3,323,010,608	-12.0
160.	Share capital	10,368,870,930	10,368,870,930	-	-
170.	Treasury shares (-)	-125,641,364	-79,927,263	45,714,101	57.2
180.	Net income (loss) (+/-)	6,843,709,742	5,603,701,744	1,240,007,998	22.1
Total liabilities and shareholders' equity		**673,914,962,790**	**658,530,467,165**	**15,384,495,625**	**2.3**

Income statement

(euro)

		2025	2024	Changes amount	Changes %
10.	Interest and similar income	19,887,055,004	26,326,550,485	-6,439,495,481	-24.5
	of which: interest income calculated using the effective interest rate method	*17,630,277,657*	*21,723,955,383*	*-4,093,677,726*	*-18.8*
20.	Interest and similar expense	-9,326,535,925	-15,105,686,617	-5,779,150,692	-38.3
30.	**Interest margin**	**10,560,519,079**	**11,220,863,868**	**-660,344,789**	**-5.9**
40.	Fee and commission income	6,997,796,258	6,700,496,260	297,299,998	4.4
50.	Fee and commission expense	-1,234,195,890	-1,133,220,302	100,975,588	8.9
60.	**Net fee and commission income**	**5,763,600,368**	**5,567,275,958**	**196,324,410**	**3.5**
70.	Dividend and similar income	3,335,774,309	2,106,988,243	1,228,786,066	58.3
80.	Profits (Losses) on trading	847,197,554	188,921,008	658,276,546	
90.	Fair value adjustments in hedge accounting	-5,098,587	8,922,705	-14,021,292	
100.	Profits (Losses) on disposal or repurchase of:	314,925,459	268,918,011	46,007,448	17.1
	a) financial assets measured at amortised cost	*160,898,080*	*42,682,356*	*118,215,724*	
	b) financial assets measured at fair value through other comprehensive income	*233,500,105*	*229,345,331*	*4,154,774*	*1.8*
	c) financial liabilities	*-79,472,726*	*-3,109,676*	*76,363,050*	
110.	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss	-961,724,531	-854,998,620	106,725,911	12.5
	a) financial assets and liabilities designated at fair value	*-1,196,630,254*	*-1,009,712,030*	*186,918,224*	*18.5*
	b) other financial assets mandatorily measured at fair value	*234,905,723*	*154,713,410*	*80,192,313*	*51.8*
120.	**Net interest and other banking income**	**19,855,193,651**	**18,506,891,173**	**1,348,302,478**	**7.3**
130.	Net losses/recoveries for credit risk associated with:	-1,628,438,757	-1,098,953,591	529,485,166	48.2
	a) financial assets measured at amortised cost	*-1,607,339,312*	*-1,091,648,149*	*515,691,163*	*47.2*
	b) financial assets measured at fair value through other comprehensive income	*-21,099,445*	*-7,305,442*	*13,794,003*	
140.	Profits (Losses) on changes in contracts without derecognition	-173,190	-7,534,239	-7,361,049	-97.7
150.	**Net income from banking activities**	**18,226,581,704**	**17,400,403,343**	**826,178,361**	**4.7**
160.	Administrative expenses:	-8,700,647,160	-9,363,673,213	-663,026,053	-7.1
	a) personnel expenses	*-5,583,971,206*	*-6,085,590,225*	*-501,619,019*	*-8.2*
	b) other administrative expenses	*-3,116,675,954*	*-3,278,082,988*	*-161,407,034*	*-4.9*
170.	Net provisions for risks and charges	-254,275,266	-106,494,808	147,780,458	
	a) commitments and guarantees given	*-128,105,594*	*-19,914,974*	*108,190,620*	
	b) other net provisions	*-126,169,672*	*-86,579,834*	*39,589,838*	*45.7*
180.	Net adjustments to / recoveries on property and equipment	-434,905,624	-449,220,928	-14,315,304	-3.2
190.	Net adjustments to / recoveries on intangible assets	-1,051,193,428	-926,754,801	124,438,627	13.4
200.	Other operating expenses (income)	1,064,861,668	980,203,555	84,658,113	8.6
210.	**Operating expenses**	**-9,376,159,810**	**-9,865,940,195**	**-489,780,385**	**-5.0**
220.	Profits (Losses) on equity investments	-327,559,071	-161,460,615	166,098,456	
230.	Valuation differences on property, equipment and intangible assets measured at fair value	-20,086,351	-23,217,357	-3,131,006	-13.5
240.	Goodwill impairment	-	-	-	-
250.	Profits (Losses) on disposal of investments	125,746,372	-2,940,605	128,686,977	
260.	**Income (Loss) before tax from continuing operations**	**8,628,522,844**	**7,346,844,571**	**1,281,678,273**	**17.4**
270.	Taxes on income from continuing operations	-1,784,813,102	-1,743,142,827	41,670,275	2.4
280.	**Income (Loss) after tax from continuing operations**	**6,843,709,742**	**5,603,701,744**	**1,240,007,998**	**22.1**
290.	Income (Loss) after tax from discontinued operations	-	-	-	-
300.	**Net income (Loss)**	**6,843,709,742**	**5,603,701,744**	**1,240,007,998**	**22.1**

Statement of comprehensive income

(euro)

		2025	2024	Changes amount	Changes %
10.	**NET INCOME (LOSS)**	**6,843,709,742**	**5,603,701,744**	**1,240,007,998**	**22.1**
	Other comprehensive income (net of tax) that may not be reclassified to the income statement	**66,032,941**	**161,599,458**	**-95,566,517**	**-59.1**
20.	Equity instruments designated at fair value through other comprehensive income	69,841,090	204,606,608	-134,765,518	-65.9
30.	Financial liabilities designated at fair value through profit or loss (change in own credit rating)	-38,261,412	-65,795,435	-27,534,023	-41.8
40.	Hedging of equity instruments designated at fair value through other comprehensive income	-	-	-	
50.	Property and equipment	6,034,589	12,936,844	-6,902,255	-53.4
60.	Intangible assets	-	-	-	
70.	Defined benefit plans	28,418,674	9,851,441	18,567,233	
80.	Non-current assets classified as held for sale	-	-	-	
90.	Share of valuation reserves connected with investments carried at equity	-	-	-	
	Other comprehensive income (net of tax) that may be reclassified to the income statement	**793,489,381**	**-310,892,924**	**1,104,382,305**	
100.	Hedges of foreign investments	-	-	-	
110.	Foreign exchange differences	-	-	-	
120.	Cash flow hedges	30,828,768	142,232,286	-111,403,518	-78.3
130.	Hedging instruments (not designated elements)	-	-	-	
140.	Financial assets (other than equities) measured at fair value through other comprehensive income	762,660,613	-453,125,210	1,215,785,823	
150.	Non-current assets held for sale and discontinued operations	-	-	-	
160.	Share of valuation reserves connected with investments carried at equity	-	-	-	
170.	**Total other comprehensive income (net of tax)**	**859,522,322**	**-149,293,466**	**1,008,815,788**	
180.	**TOTAL COMPREHENSIVE INCOME (Captions 10 + 170)**	**7,703,232,064**	**5,454,408,278**	**2,248,823,786**	**41.2**

Changes in shareholders' equity as at 31 December 2025

(euro)

	31.12.2025										
	Share capital		Share premium reserve	Reserves		Valuation reserves	Equity instruments	Interim Dividend	Treasury shares	Net income (loss)	Shareholders' equity
	ordinary shares	other shares		retained earnings	other						
AMOUNTS AS AT 31.12.2024	**10,368,870,930**	**-**	**27,760,194,096**	**3,722,798,217**	**1,301,277,746**	**25,669,674**	**8,687,976,570**	**-3,022,396,313**	**-79,927,263**	**5,603,701,744**	**54,368,165,401**
Changes in opening balances	-	-	-	-	-	-	-	-	-	-	-
AMOUNTS AS AT 1.1.2025	**10,368,870,930**	**-**	**27,760,194,096**	**3,722,798,217**	**1,301,277,746**	**25,669,674**	**8,687,976,570**	**-3,022,396,313**	**-79,927,263**	**5,603,701,744**	**54,368,165,401**
ALLOCATION OF NET INCOME OF THE PREVIOUS YEAR (a)											
Reserves	-	-	-	306,916,182	-	-	-	-	-	-306,916,182	-
Dividends and other allocations	-	-	-	-	-	-	-	3,022,396,313	-	-5,296,785,562	-2,274,389,249
CHANGES IN THE PERIOD											
Changes in reserves (b)	**-**	**-**	**-2,538,574,342**	**-499,639,711**	**164,401,504**	**-**	**-**	**-**	**-**	**-**	**-2,873,812,549**
Operations on shareholders' equity											
Issue of new shares	-	-	7,827,071	-	-	-	-	-	2,092,128,823	-	2,099,955,894
Purchase of treasury shares	-	-	-	-	-	-	-	-	-2,137,842,924	-	-2,137,842,924
Interim dividend	-	-	-	-	-	-	-	-3,233,844,857	-	-	-3,233,844,857
Dividends	-	-	-792,263,337	-	-	-	-	-	-	-	-792,263,337
Changes in equity instruments	-	-	-	-	-	-	-1,001,786,175	-	-	-	-1,001,786,175
Derivatives on treasury shares	-	-	-	-	-	-	-	-	-	-	-
Stock options	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**859,522,322**	**-**	**-**	**-**	**6,843,709,742**	**7,703,232,064**
SHAREHOLDERS' EQUITY AS AT 31.12.2025	**10,368,870,930**	**-**	**24,437,183,488**	**3,530,074,688**	**1,465,679,250**	**885,191,996**	**7,686,190,395**	**-3,233,844,857**	**-125,641,364**	**6,843,709,742**	**51,857,414,268**

(a) Includes dividends and amounts allocated to the charity allowance of the Parent Company.

(b) The Shareholders' Meeting of Intesa Sanpaolo to which the approval of the Parent Company's 2025 Financial Statements is submitted is called upon to decide on the approval of the allocation of the one-off levy pursuant to Law 199/2025 to the Share Premium Reserve, as identified by the Board of Directors on 2 February 2026. See the specific paragraph of the Notes to the Parent Company's financial statements – Part A – Accounting policies for further details.

Changes in shareholders' equity as at 31 December 2024

(euro)

	31.12.2024										
	Share capital		Share premium reserve	Reserves		Valuation reserves	Equity instruments	Interim Dividend	Treasury shares	Net income (loss)	Shareholders' equity
	ordinary shares	other shares		retained earnings	other						
AMOUNTS AS AT 31.12.2023	**10,368,870,930**	**-**	**28,161,936,073**	**3,676,936,788**	**1,129,641,168**	**174,851,300**	**7,925,309,985**	**-2,628,985,341**	**-61,273,464**	**7,292,121,183**	**56,039,408,622**
Changes in opening balances	-	-	-	-	-	-	-	-	-	-	-
AMOUNTS AS AT 1.1.2024	**10,368,870,930**	**-**	**28,161,936,073**	**3,676,936,788**	**1,129,641,168**	**174,851,300**	**7,925,309,985**	**-2,628,985,341**	**-61,273,464**	**7,292,121,183**	**56,039,408,622**
ALLOCATION OF NET INCOME OF THE PREVIOUS YEAR (a)											
Reserves	-	-	-	2,270,703,345	-	-	-	-	-	-2,270,703,345	-
Dividends and other allocations	-	-	-	-	-	-	-	2,628,985,341	-	-5,021,417,838	-2,392,432,497
CHANGES IN THE PERIOD											
Changes in reserves	**-**	**-**	**-**	**-2,224,841,916**	**171,636,578**	**111,840**	**-**	**-**	**-**	**-**	**-2,053,093,498**
Operations on shareholders' equity											
Issue of new shares	-	-	4,136,160	-	-	-	-	-	1,747,725,409	-	1,751,861,569
Purchase of treasury shares	-	-	-	-	-	-	-	-	-1,766,379,208	-	-1,766,379,208
Interim dividend	-	-	-	-	-	-	-	-3,022,396,313	-	-	-3,022,396,313
Dividends	-	-	-405,878,137	-	-	-	-	-	-	-	-405,878,137
Changes in equity instruments	-	-	-	-	-	-	762,666,585	-	-	-	762,666,585
Derivatives on treasury shares	-	-	-	-	-	-	-	-	-	-	-
Stock options	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**-149,293,466**	**-**	**-**	**-**	**5,603,701,744**	**5,454,408,278**
SHAREHOLDERS' EQUITY AS AT 31.12.2024	**10,368,870,930**	**-**	**27,760,194,096**	**3,722,798,217**	**1,301,277,746**	**25,669,674**	**8,687,976,570**	**-3,022,396,313**	**-79,927,263**	**5,603,701,744**	**54,368,165,401**

(a) Includes dividends and amounts allocated to the charity allowance of the Parent Company.

Statement of cash flows

(euro)

	2025	2024
A. OPERATING ACTIVITIES		
1. Cash flow from operations	**10,436,254,785**	**12,840,970,936**
Net income (loss) (+/-)	6,843,709,742	5,603,701,744
Gains/losses on financial assets held for trading and on other assets/liabilities measured at fair value through profit and loss (-/+)	308,323,365	3,272,965,024
Gains/losses on hedging activities (-/+)	5,098,587	-8,922,705
Net losses/recoveries for credit risk (+/-)	1,851,670,132	1,328,311,331
Adjustments to/net recoveries on property, equipment and intangible assets (+/-)	1,486,099,052	1,375,975,730
Net provisions for risks and charges and other costs/revenues (+/-)	792,066,917	1,083,144,966
Taxes, duties and tax credits to be paid/collected (+/-)	1,767,248,373	1,736,800,201
Net adjustments to/recoveries on discontinued operations net of tax effect (-/+)	-	-
Other adjustments (+/-)	-2,617,961,383	-1,551,005,355
2. Cash flow from / used in financial assets	**-21,435,985,495**	**-7,315,922,736**
Financial assets held for trading	-4,491,187,006	-6,037,093,140
Financial assets designated at fair value	1,552,447	-88,099
Other financial assets mandatorily measured at fair value	57,872,700	-464,814,046
Financial assets measured at fair value through other comprehensive income	-10,939,990,935	-7,007,088,225
Financial assets measured at amortised cost	-12,305,011,706	3,379,441,058
Other assets	6,240,779,005	2,813,719,716
3. Cash flow from / used in financial liabilities (*)	**17,319,232,761**	**-44,388,524,827**
Financial liabilities measured at amortised cost	21,054,615,438	-41,478,210,983
Financial liabilities held for trading	-3,644,950,245	-798,989,459
Financial liabilities designated at fair value	3,339,276,960	1,730,392,404
Other liabilities	-3,429,709,392	-3,841,716,789
Net cash flow from (used in) operating activities	**6,319,502,051**	**-38,863,476,627**
B. INVESTING ACTIVITIES		
1. Cash flow from	**3,788,191,859**	**2,082,861,788**
Sales of equity investments	652,726,978	195,924,832
Dividends collected on equity investments	2,932,606,220	1,826,184,881
Sales of property and equipment	52,629,819	60,752,075
Sales of intangible assets	683	-
Sales of subsidiaries and business branches	150,228,159	-
2. Cash flow used in	**-1,609,864,138**	**-2,673,780,490**
Purchases of equity investments	-214,086,289	-1,199,674,484
Purchases of property and equipment	-218,603,047	-259,902,553
Purchases of intangible assets	-1,177,174,802	-1,214,203,453
Purchases of subsidiaries and business branches	-	-
Net cash flow from (used in) investing activities	**2,178,327,721**	**-590,918,702**
C. FINANCING ACTIVITIES		
Issues/purchases of treasury shares	-2,028,813,645	-1,714,517,631
Share capital increases	-1,419,991,874	360,125,184
Dividend distribution and other	-6,300,497,445	-5,820,706,947
Net cash flow from (used in) financing activities	**-9,749,302,964**	**-7,175,099,394**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**-1,251,473,192**	**-46,629,494,723**
RECONCILIATION		
Financial statement captions		
Cash and cash equivalents at beginning of period	26,201,082,223	72,828,943,138
Net increase (decrease) in cash and cash equivalents	-1,251,473,192	-46,629,494,723
Cash and cash equivalents: foreign exchange effect	1,505,531	1,633,808
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**24,951,114,562**	**26,201,082,223**

LEGEND: (+) from (–) used in

(*) With regard to the disclosure required by par. 44 B of IAS 7, it is noted that the changes in liabilities deriving from financing activities amount to +17,319 million euro (cash flow from) and comprise +21,055 million euro in cash flows, -306 million euro in fair value changes and -3,430 million euro in other changes.

Notes to the Parent Company's financial statements

Part A – Accounting policies

A.1 – GENERAL CRITERIA

SECTION 1 – DECLARATION OF COMPLIANCE WITH IAS/IFRS

As set forth by Legislative Decree 38 of 28 February 2005, Intesa Sanpaolo's financial statements have been prepared in compliance with the accounting principles IAS/IFRS issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Standards - Interpretations Committee (IFRS-IC) and endorsed by the European Commission as provided for by EC Regulation 1606 of 19 July 2002.
The financial statements as at 31 December 2025 have been prepared based on the "Instructions for the preparation of the separate and consolidated financial statements of banks and financial companies, which are parent companies of banking groups" issued by the Bank of Italy, in the exercise of powers set forth by Art. 43 of Legislative Decree 136/2015[398], with Regulation of 22 December 2005, which issued Circular 262/2005, and subsequent updates. Specifically, these financial statements have been prepared in accordance with the format and preparation rules of the 8th update of 17 November 2022.
These Instructions set out compulsory financial statement formats and the related methods of compilation, as well as the content of the Notes to the consolidated financial statements.
The financial statements have been prepared using the IAS/IFRS endorsed and in force as at 31 December 2025 (including the SIC and IFRIC interpretation documents) as listed in the attachments to the consolidated financial statements.

The table below shows the new standards or amendments to existing ones, together with the related European Commission endorsement regulations, which came into force in 2025.

IFRS endorsed as at 31.12.2025 in force since 2025

Endorsement Regulation	Amendments to Standards/Interpretations	Effective date
2862/2024	Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	01/01/2025 First financial year starting on or after 01/01/2025

As shown in the above table, the 2025 Annual Report reflect the provisions of Regulation no. 2862/2024 Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability. No aspects of particular significance for the Bank have been identified in this respect. Below is a brief summary of their main content.

Regulation no. 2862/2024 of 12 November 2024: Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability
Regulation no. 2862/2024 contains small amendments to IAS 21 specifying when a currency is exchangeable into another currency and how to determine the exchange rate when it is not and the disclosure required. The amendments mainly include the introduction of the definition of "exchangeability"[399] and an application guidance to assist entities in determining when a currency is exchangeable (for example, by clarifying how to assess the time frame to obtain the currency).
The amendments do not provide guidance on how to estimate exchange rates when the currency is not exchangeable; instead, detailed disclosure is required to enable readers to understand the methodologies adopted and the impacts on the financial statements.
As also noted by the IASB, the cases subject to regulatory intervention are not frequent. Therefore, given the current context, these amendments are not expected to be relevant to the Bank.

The table below shows the new standards and amendments to existing ones, together with the related European Commission endorsement regulations, which will become mandatory after 2025, and for which Intesa Sanpaolo has not exercised the option of early adoption.

[398] Art. 43 of Legislative Decree 136/2015 confirmed to the Bank of Italy the powers concerning the layouts of financial statements already previously attributed to the same Authority by Legislative Decree 38/2005.
[399] IAS 21.8: "A currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations."

IFRS endorsed as at 31.12.2025 applicable subsequent to 31.12.2025

Endorsement Regulation	Amendments to Standards/Interpretations	Effective date
1047/2025	Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	01/01/2026 First financial year starting on or after 01/01/2026
1266/2025	Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7	01/01/2026 First financial year starting on or after 01/01/2026
1331/2025	Annual Improvements - Volume 11 (*)	01/01/2026 First financial year starting on or after 01/01/2026

(*) The Annual Improvements introduced by Reg. 1331/2025 relate to: Cost Method (Amendments to IAS 7), Determination of a 'De Facto Agent' (Amendments to IFRS 10), Gain or Loss on Derecognition (Amendments to IFRS 7), Hedge Accounting by a First-time Adopter (Amendments to IFRS 1), Lessee Derecognition of Lease Liabilities (Amendments to IFRS 9), Transaction Price (Amendments to IFRS 9)

With reference to endorsement regulations that implement changes to existing accounting standards, Regulations no. 1047/2025, 1266/2025 and 1331/2025, described below, will become applicable as from 1 January 2026.

Regulation no. 1047/2025 of 27 May 2025 – Amendments to the Classification and Measurement of Financial Instruments which amended IFRS 9 and IFRS 7

With respect to the aspects of greatest interest to the Bank, the amendments clarify the classification of financial assets with environmental, social and governance ("ESG") and similar features. These amendments also impose disclosure requirements to increase transparency in relation to financial instruments with contingent feature. As set out in the recitals of the Regulation, these amendments should promote loans with ESG-linked features as they should be able to apply either amortised costs or FVOCI, on the basis they meet the Solely Payments of Principal and Interest ("SPPI") test. In this way, financial reporting should support economic transition measures that advance the European Green Deal.

The amendments cover the following aspects:

1. *Classification of financial assets*

   The application guidance provides clarification for assessing the characteristics of contractual cash flows, i.e., the so-called SPPI criterion which, if met, leads to the classification of assets at amortised cost or at FVOCI.

   This includes the amendments that clarify the treatment for the SPPI test of financial assets with features linked to Environmental, Social and Governance (ESG) factors which, upon achieving (or failing to achieve) specific ESG KPIs, provide for a variability of the interest rate which is contractually defined (usually the increase and/or decrease of a specific number of basis points).

   In this respect, for contracts where the nature of the contingent event does not relate directly to changes in basic lending risks and costs, for example if the debtor achieves a contractually specified reduction in carbon emissions, the entity shall establish an internal policy in order to assess that the contractual cash flows are not significantly different from those of a financial instrument with identical contractual terms, but without such a contingent feature. In some circumstances, the entity may be able to make that determination by performing a qualitative assessment; but, in other circumstances, it may be necessary to perform a quantitative assessment and, consequently establish the related calculation methodology and thresholds (not covered by the standard).

   This approach also applies to all contracts in force on the date of the initial application, as well as to those issued subsequently, since the amendments are to be applied retrospectively.

   Based on the above, Intesa Sanpaolo has established its own accounting policy. This policy is not expected to impact recognised financial instruments. Furthermore, as part of a dedicated project, Intesa Sanpaolo is already implementing the necessary IT solutions.

   Furthermore, the standard also clarifies the definition of contractually linked instruments ("CLI")[400] and the difference with respect to instruments with non-recourse features[401]. This second aspect – CLI/non-recourse – is not particularly relevant to Intesa Sanpaolo. Based on the analyses carried out, the Bank's accounting policy developed when adopting IFRS 9 is already in line with the clarifications introduced by the relevant amendments with respect to conducting the SPPI test.

[400] Reference is made to instruments in tranches which create concentrations of credit risk to settle liabilities and whose payments are contractually linked to those received from a pool of other financial instruments.

[401] A financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

2. *Derecognition of financial liabilities settled through an electronic cash transfer system*
   Under the amendments, a financial liability is derecognised at the settlement date, unless the entity opts for the application of the new provisions whereby a financial liability can be derecognised at an earlier date if the cash transfer takes place through an electronic payment system and specific conditions are met[402]. The amendment provides for the possibility (and not the obligation) to adopt an accounting policy to be applied consistently to all settlements made through a specific electronic payment system.
   The Bank conducted an in-depth analysis of these regulatory updates to determine their relevance to the Group. According to the analyses, the Bank derecognises liabilities at the settlement date (in line with the relevant standard). Furthermore, the application of the above policy on electronic payment systems is not relevant.
3. *New disclosure requirements*
   IFRS 7 has been amended to introduce additional disclosure requirements relating to:
   – financial instruments with contractual terms that could change the amount of contractual cash flows based on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in basic lending risks and costs (such as the time value of money or credit risk), for example, ESG financial instruments.
     Specifically, based on the appropriate level of aggregation or disaggregation, an entity shall disclose:
     - a qualitative description of the nature of the contingent event;
     - quantitative information about the possible changes to contractual cash flows that could result from those contractual terms (for example, the range of possible changes);
     - the gross carrying amount of financial assets and the amortised cost of financial liabilities subject to those contractual terms.
   – equity instruments designated at fair value through other comprehensive income.
     For these instruments, an entity shall disclose the fair value at the end of the reporting period and the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognised during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period. Furthermore, it shall disclose any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period.
   With respect to disclosure requirements, the first case is relevant to the Bank, specifically ESG financial instruments. In this respect, the related quantitative information will be provided in accordance with the Bank of Italy's indications included in Circular no. 262/05, which is currently being updated.
   In accordance with IAS 8, an entity shall apply these amendments retrospectively as of 1 January 2026. However, there is no requirement to restate the comparative period (similarly to the first-time application of IFRS 9).

With respect to the aspects of greatest interest to the Bank, namely the SPPI test for products with ESG-linked features and related disclosure, application methods have been defined as part of a specific project involving the relevant departments. Furthermore, measures are currently being implemented in information systems and business processes. As already mentioned, no impacts are expected upon initial application.

Regulation no 1266/2025 of 30 June 2025 – Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

These amendments help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs).
Specifically, PPAs may refer to:
– the signing of a renewable power purchase agreement (physical PPA) whereby an entity undertakes to purchase a certain amount of electricity produced from renewable sources (e.g. all energy produced by a wind turbine) at a predetermined fixed price for a certain number of years (even a very long time, e.g. 20 years);
– virtual agreements (or virtual PPAs) whereby there is no physical delivery of energy; in these agreements, the difference between the fixed price determined in the PPA and the spot price at which energy can be purchased/sold in the market is settled.

The IASB acted in the light of the increased use of these contracts[403] which help companies to secure their electricity supply from renewable sources such as wind and solar power, at a fixed price per unit of energy purchased or sold. The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions and, at certain times (e.g. weekends or during the night), the entity may not consume all of the purchased energy, resulting in the need to resell it on the market, given the limits to the storage of unused energy.
In order to better reflect in the financial statements how these contracts affect the financial performance of a company, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures.
The amendments include:
– clarifying the application of the own-use exception[404].
  The aim of the amendments is to enable application of the exception envisaged by IFRS 9 for entities that enter into these contracts for the purpose of the receipt of energy in accordance with the entity's expected usage. In this case the contract is outside the scope of IFRS 9 and, consequently, is not classified as a financial instrument to be measured at fair value, but is recognised as a standard energy supply agreement. In practice, the aim is to extend the application of the exception to entities entering into these contracts to receive electricity generated by alternative sources, in accordance with their expected usage, instead of generating short-term profits from price fluctuations, for which fair value presentation is more appropriate;

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[402] Specifically, derecognition of a financial liability when using an electronic payment system is permitted if all the following criteria are met:
– the entity has no practical ability to withdraw, stop or cancel the payment instruction or access the cash to be used for settlement as a result of the payment instruction;
– the settlement risk associated with the electronic payment system is insignificant.

[403] These contracts are becoming increasingly widespread, as they are usually linked to the issuance of renewable energy certificates (RECs).

[404] The own-use exception is defined in paragraph 2.4 of IFRS 9 which governs the contracts to buy or sell a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

– allow hedge accounting requirements when these contracts are used as hedging instruments (via a virtual PPA).
  Under the amendments, an entity is permitted to designate as the hedged item a variable nominal amount of forecast electricity transactions, thereby facilitating the effectiveness of the hedging relationship;
– new disclosure requirements which enable investors to understand the effect of these contracts on the performance and cash flows of an entity.
  Specifically, entities are required to provide information about the terms and conditions of these agreements and quantitative and qualitative information about the agreements and their financial effect.

At present, Intesa Sanpaolo has entered into a very small number of PPAs that are already classified as "own use" under current legislation and are therefore recognised as energy supply agreements.

Regulation no 1331/2025 of 9 July 2025 – Annual Improvements to IFRS Accounting Standards – Volume 11
This Regulation implements the amendments issued by the IASB on 18 July 2024 in Annual Improvements to IFRS Accounting Standards – Volume 11 in the framework of its regular improvement process. The annual improvements contain narrow scope amendments; for example, they remove areas of inconsistency in IFRS Accounting Standards or clarify wording where required. Given the limited nature of the amendments, these are not particularly relevant to Intesa Sanpaolo.

The table below shows the new international financial reporting standards or amendments to existing standards that have not yet been endorsed by the European Commission.

IFRS not endorsed as at 31.12.2025

New Standards/Interpretations		Date of issue
IFRS 18	Presentation and Disclosure in Financial Statements	09/04/2024
IFRS 19	Subsidiaries without Public Accountability: Disclosures	09/05/2024
Amendments to Standards/Interpretations		
IFRS 19	Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures	21/08/2025
IAS 21	Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	13/11/2025

As regards the IASB documents introducing new standards or amending existing accounting standards pending endorsement, the following is noted:

IFRS 18 Presentation and Disclosure in Financial Statements
IFRS 18 Presentation and Disclosure in Financial Statements was issued by the IASB on 9 April 2024. Its application is mandatory for annual reporting periods starting from 1 January 2027 onwards but earlier application is permitted, subject to the completion of the endorsement process. Comparative information needs to be disclosed in respect of the previous period.
The standard will not affect how companies measure their financial performance, but only the presentation. Indeed, the following will be required:

1. *Introduce defined subtotals in the statement of profit or loss*
   Under IFRS 18, entities need to classify items of income and expense in 5 categories: operating, investing and financing - covered by the new definition introduced by IFRS 18 - in addition to income taxes and discontinued operations, which are unchanged.
   With respect to specific operating segments, such as banking, insurance and financial conglomerates, items of income and expense that would normally be classified in the investing or financing categories contribute to the operating performance since for these entities, investing or financing to customers are the main business activity.
2. *Management-defined performance measures (MPMs)*
   Management-defined performance measures (MPMs) are the subtotals of income and expenses, other than those covered by IFRS 18 or specifically required by other IFRS, that an entity uses in public communications outside financial statements (including, for example, the report on operations and the press releases) to communicate to investors management's view of an aspect of the financial performance of the entity. Under IFRS 18, an entity shall disclose information about its MPMs in a single note to the financial statements, including information that enables users of financial statements to understand them.
3. *Grouping (aggregation and disaggregation) of information*
   IFRS 18 provides application guidance on aggregating information in the primary financial statements and accompanying notes, which have complementary roles. With respect to the expense items to be included in the operating category, under IFRS 18, entities must present these items in a way that provides the most useful structured summary of them, by either the "nature" or "function" of the expense. However, a "mixed" (by both nature and function) presentation is also allowed by disclosing the specific expenses by nature in the Notes to the financial statements.
   Intesa Sanpaolo has launched a project to analyse the new regulatory provisions and the operational effects of the new IFRS 18, also with the aim of gradually adapting its internal procedures and processes. The preliminary stage of these activities, which involved analysing the provisions of the standard and identifying the aspects relevant to the Group, was launched in 2025. In any case, Italian banks will have to wait for the Bank of Italy's initiatives to adapt to the new standard, in particular, with reference to Circular 262/2005, also in order to assess the consequences on application systems.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued by the IASB in May 2024 and permits subsidiaries that are eligible[405] to provide reduced disclosures instead of the disclosure requirements of other IAS/IFRS.

IFRS 19 does not apply to the preparation of Intesa Sanpaolo's separate financial statements. Overall, the scope of the standard is narrowed for banks, financial intermediaries and insurance companies (which often meet the public accountability criterion).

Amendments to IFRS 19 – Subsidiaries without Public Accountability: Disclosures

On 21 August 2025, the IASB issued amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures. These amendments complement the standard and update it with the reduced disclosure requirements as per the IASB publications issued between February 2021 and May 2024.

Similarly to IFRS 19, these amendments are not relevant to Intesa Sanpaolo.

Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21

On 13 November 2025, the IASB issued some limited amendments to IAS 21 on the translation of the results and the financial position in a hyperinflationary presentation currency[406].

Under the amendments, when an entity's functional currency is the currency of a non-hyperinflationary economy but its presentation currency is the currency of a hyperinflationary economy, the entity shall translate all amounts using the closing rate at the date of the most recent financial statement, balance sheet items and income and expenses, including comparative amounts.

Furthermore, an entity is required to provide specific disclosure to explain the facts and specific circumstances.

These amendments are irrelevant for the preparation of Intesa Sanpaolo's financial statements since the presentation currency, the euro, is not a hyperinflationary presentation currency.

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Accounting treatment of the "one-off levy" under Law no. 199 of 30 December 2025 (the "2026 Budget Act")

It's considered appropriate to provide some clarifications regarding the accounting impacts of the 2026 Budget Act which has introduced – among other changes – important changes to the rules governing the "one-off tax calculated on the increase in banks' net interest income", which was imposed on banks by Article 26 of Decree Law no. 104 of 10 August 2023 (converted with amendments by Law no. 136 of 9 October 2023).

Nevertheless, this rule, which provided for a tax of 40% capped at 0.26% of RWA on the increase in banks' net interest income in 2023 compared to 2021, had provided banks with the possibility of allocating an amount equal to at least two and a half times the tax due to a special non-distributable reserve, instead of paying the tax. The Bank exercised this option, upon approval of the 2023 financial statements and allocation of the net income for the same year. Consequently, it resolved to allocate a total of approximately 1,991 million euro, equal to two and a half times the tax due equals to approximately 797 million euro to the non-distributable reserve. Furthermore, Law no. 136/2023 stipulated that, had the 2023 reserve been used for profit distribution purposes, the 40% tax would have been due, in addition to interest calculated at the ECB's deposit facility rate, starting from 30 June 2024.

Under the 2026 Budget Act:

– irrespective of the resolution of the shareholders' meeting, the distribution of dividends or reserves by Italian banks starting from the financial year beginning after 1 January 2028 (therefore from 1 January 2029) shall be deemed to be made prioritising the use of the above reserve, resulting in the obligation to pay the Tax at a rate of 40%, plus interest calculated from 30 June 2024;
– the option, until 31 December 2028, to make the reserve subject to a one-off levy at the following rates:
  - 27.5% for the existing reserve in the financial statements as at 31 December 2025;
  - 33% for the existing reserve in the financial statements as at 31 December 2026.

According to express provision of the Law, the one-off levy applies to the reserve regardless of the nature of the items that contributed to its formation and the manner of its establishment. Furthermore, payment of the one-off levy within the above terms, including time limits, entails the non-application of the 40% tax, plus interest.

From an accounting point of view, it is believed, first and foremost, that the provisions of the 2026 Budget Act represent a new obligation, separate from the previous one, which was settled at the time by setting up the reserve. In other words, by establishing the reserve, the Bank has fulfilled the obligation imposed by Decree no. 104/2023. This identifies a new obligation in the provisions of the 2026 Budget Act, separate from the previous one. The purpose of this obligation is ultimately deemed to be the payment of a capital contribution following future distributions of dividends or reserves, starting from 2029.

As the IFRS Accounting Standards are silent in this respect[407], for accounting purposes, in accordance with IAS 8, which, here, requires the preparers of the financial statements to refer to provisions covering similar circumstances, the Bank has decided to make reference to the provisions of IAS 12, which, in paragraph 61A, provides for the recognition of taxes in line with the item on which the tax is calculated.

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[405] This standard applies to investees without public accountability, whose parent company prepares its consolidated financial statements in accordance with IFRS Accounting Standards. An entity has public accountability if:
a. its debt or equity instruments are traded in a public market; or
b. it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

[406] Under IAS 21, the presentation currency is the currency in which the financial statements are presented, while the functional currency is the currency of the primary economic environment in which the entity operates.

[407] This case is not considered to fall within:

- the scope of IFRIC 21 "Levies", since payment of the charge within the year 2028 would result from an autonomous decision of the bank, taken within its own powers, and would therefore not constitute a levy imposed by the general government; or
- the scope of IAS 12 "Income Taxes", as it does not represent a tax on income.

Specifically, since the obligation stems from the Bank's decision to set up an equity reserve instead of paying the tax referred to in Decree Law no. 104/2023 and that this obligation, as mentioned earlier, is separate from the previous one, while referring also to the provisions of the 2026 Budget Act, whereby "*The one-off tax applies to the 2023 Reserve regardless of the nature of the items that contributed to its formation and the manner of its establishment*," this tax, amounting to approximately 547.6 million euro[408], should be recognised as a reduction in an available equity reserve with a balancing entry under "Current tax liabilities".

This impact has been recognised in the financial statements at 31 December 2025 as a result of:
- the definitive approval of the 2026 Budget Act on 30 December 2025;
- formalisation by the Board of Directors of Intesa Sanpaolo – on 2 February 2026 prior to the approval of the 2025 "draft financial statements" – of the decision to exercise the option of paying the one-off levy, allocating the related amount, of 547.6 million euro, to the Share premium reserve.

The Shareholders of Intesa Sanpaolo called in a meeting to approve the 2025 financial statements are invited to approve the allocation of the levy to the Share premium reserve and the allocation, with effect from the payment of the levy in the tax return for the period in which it is applied, of the entire amount recognised in the Net income reserve pursuant to Law 136 of 9/10/2023 ("2023 Reserve") to the extraordinary reserve, thereby eliminating the Net income reserve pursuant to Law 136 of 9/10/2023 ("2023 Reserve") that will become freely available, without further charges for Intesa Sanpaolo after fulfilling the obligation to apply the aforementioned tax.

[408] Based on the 27.5% rate on the "2023 Reserve" equal to approximately 1,991 million.

SECTION 2 – GENERAL PREPARATION PRINCIPLES

The separate financial statements are made up of the Balance sheet, the Income statement, the Statement of comprehensive income, the Changes in shareholders' equity, the Statement of cash flows, the Notes to the financial statements and the related comparative information; the Report on operations prepared by the Directors, on the economic results achieved and on Intesa Sanpaolo's balance sheet and financial position has also been included. In compliance with the provisions of Article 5 of Legislative Decree 38/2005, the financial statements have been drawn up in euro as functional currency.
The amounts indicated in the financial statements and in the Notes to the financial statements as well as those in the Report on operations are expressed in millions of euro, unless otherwise specified.
The financial statements are prepared with the application of the general principles set out by accounting standard IAS 1 and the specific financial reporting standards endorsed by the European Commission and illustrated in Part A.2 of these Notes to the financial statements, as well as in compliance with the general assumptions set forth by the Conceptual Framework for the preparation and presentation of Financial Statements issued by IASB.
No exceptions to the application of accounting stndards IAS/IFRS have been made.
The Report on operations and the Notes to the financial statements contain all information required by the international accounting standards, by current regulations, by the Bank of Italy, by Consob (Italian Securities and Exchange Commission) and by the European Securities and Markets Authority - ESMA, in addition to other information which is not compulsory but is nonetheless deemed to be necessary in order to give a true and fair presentation of the Bank's situation.

Where the conditions pursuant to IFRS 5 had been met, the reclassified components held for sale, resulting from the balance sheet as at 31 December 2025 and the related details in the Notes to the financial statements, mainly include: (i) properties, including those subject to transfer under the agreement between Intesa Sanpaolo and COIMA, with a total value of around 0.5 billion euro, due to be completed in 2026; and (ii) non-performing loans for 1.9 billion euro gross, due to be sold under de-risking transactions.

The financial statements forms and the notes thereto show, in addition to the figures for the reference period, the corresponding comparative figures for 2024.

The Attachments include the reconciliation statements to the balance sheet and income statement originally published in the 2024 financial statements, together with specific reconciliations between the latter financial statements and the reclassified statements included in the Report on operations accompanying these financial statements.

Contents of financial statement forms

Balance sheet and income statement

The compulsory forms of the balance sheet and income statement are made up of captions, subcaptions and further detailed information (specified as the "of which" items in the captions and subcaptions).
In the interests of completeness, it should be noted that with regard to the compulsory forms defined by the Bank of Italy, captions which do not have amounts for the reporting year and the previous year have also been shown. In the income statement revenues are indicated without sign, whereas costs are preceded by the minus sign.

Statement of comprehensive income

The statement of comprehensive income shows, starting from the net income/(loss) for the year, the income components recognised as a balancing entry in valuation reserves, net of the tax effect, in compliance with international financial reporting standards.
Comprehensive income is represented by providing separate recognition of the income components that will not be reversed to the income statement in the future and those which, conversely, could later be reclassified to income/(loss) for the year under specific conditions. Similarly to the balance sheet and the income statement, with respect to the compulsory forms defined by the Bank of Italy, captions which do not present amounts for the reporting year and the previous year are in any case included. Negative amounts are preceded by the minus sign.

Changes in shareholders' equity

The statement of changes in shareholders' equity presents shareholders' equity accounts and changes which occurred in the reference year and in the previous year, broken down in share capital, reserves, reserves from retained earnings, valuation reserves and net income. Treasury shares are deducted from shareholders' equity. The table is presented by inverting the rows and the columns with respect to the same form provided for by the updating of Bank of Italy Circular 262/2005.

Statement of cash flows

The statement of cash flows registered in the reference year and in the previous year is prepared using the indirect method, on the basis of which cash flows from operating activities are represented by net income adjusted for the effects of non-cash transactions.
Cash flows are broken down into flows from operating activities, from investing activities and from financing activities.
In the form, cash flows generated in the year are indicated without sign, whereas cash flows absorbed are preceded by the minus sign.

Contents of the Notes to the financial statements

The Notes to the Parent Company's financial statements include the information provided for by international accounting standards and Circular 262 issued by the Bank of Italy on 22 December 2005 and subsequently amended, applicable for the preparation of these financial statements.

SECTION 3 – SIGNIFICANT EVENTS AFTER THE REPORTING DATE

Reference is made to the similar disclosure in the Consolidated financial statements.

SECTION 4 - OTHER ASPECTS

RISKS, UNCERTAINTIES AND IMPACTS OF THE RUSSIAN/UKRAINIAN CRISIS

The extremely serious situation arising following the outbreak of the conflict between Russia and Ukraine on 24 February 2022 was immediately closely monitored and assessed by Intesa Sanpaolo, also in light of the related guidance provided by the regulators, given that the Group has:

– a direct presence with two subsidiaries in the warring countries, Pravex Bank Joint-Stock Company (Pravex) and Joint-Stock Company Banca Intesa (Banca Intesa Russia), and is therefore particularly exposed to the consequences of the conflict;
– cross-border exposures stemming from its corporate and investment banking activities.

In its lending activities, the IMI C&IB Division had over time financed counterparties resident in the Russian Federation. More than two-thirds of the loans to Russian customers disbursed before the conflict involved leading industrial groups, which have established commercial relationships with customers belonging to the main international supply chains, a significant amount of which derives from commodity exports. At the outbreak of hostilities, loans to Russian customers represented around 1% of the Intesa Sanpaolo Group's total loans to customers, net of Export Credit Agency - ECA guarantees. Due to the existence of those guarantees, the credit risk on those exposures can be considered as not referring to either Russia or Ukraine.

That being said, in this section we note some information relating to the subsidiary banks:

– Banca Intesa Russia: this is a Moscow-based bank, 47%-owned by Intesa Sanpaolo and 53% by Intesa Sanpaolo Holding International. It operates with 16 branches and 672 staff;
– Pravex is a small commercial bank, wholly-owned by Intesa Sanpaolo and based in Kyiv. It operates with 39 branches (mainly in the Kyiv region) and 530 staff.

Albeit within the objective limits dictated by the contingent scenario, particularly for Pravex, the two subsidiaries are continuing to operate with the support of the Parent Company structures.

Also for the purposes of the 2025 Financial Statements, Intesa Sanpaolo's continuing control over the two entities has been confirmed, which can be evidenced from various points of view:

– in accounting/administrative terms, by acquiring the accounts for consolidation purposes. Specifically, as explained in greater detail in Part A: Section 3 - Scope of consolidation and consolidation methods of the Consolidated financial statements, and also in line with the methodological choices made for the 2024 Annual Report, for the Russian subsidiary, the accounts as at 31 December 2025 were acquired accurately and in a timely manner, while for Pravex, it was decided to maintain the accounts produced for consolidation as at 30 September 2025, valued at the exchange rate as at 31 December 2025, considering the specific operating difficulties of the subsidiary, as well as in light of the substantial immateriality of its balance sheet figures at Group level;
– in terms of statutory regulations, with specific regard to the Russian subsidiary, the Parent Company was able to exercise its power to determine, in compliance with Russian regulations, the composition of the management body of Banca Intesa Russia at the Shareholders' Meeting of 5 June 2025. The turnover of officers was the result of appointments proposed by the Parent Company that passed the approval process of the Russian Central Bank. Also for the Ukraine subsidiary, there was routine turnover in the governance bodies in 2025, based on the nominations expressed by the Parent Company;
– in terms of steering the business, the two entities continue to move ahead with their business following the instructions of the Parent Company;
– in terms of coordination and control, as the Parent Company's control functions (including the support function of the Manager responsible for preparing the Company's financial reports, namely Administrative and Financial Governance) continue to carry out their roles through the regular receipt and analysis of the planned information flows, interacting with the structures of the subsidiaries through the communication channels available, in line with any limitations that may arise over time, also handled using contingency solutions.

Moreover, the conclusions regarding the maintenance of control over Banca Intesa Russia are not invalidated by the limitations currently set by Russian regulations which, substantially, impose restrictions to repayments and payments to parties resident in "unfriendly" countries. Aware of the restrictions imposed by the specific regulatory framework, Banca Intesa Russia credited to specific Russian accounts, as provided by law, the monetary resources for the repayment of intragroup exposures that matured in the meantime. The potential use of the resources credited on these accounts – equal to a value for Intesa Sanpaolo S.p.A. of around 6 million euro at the end of December 2025 – is limited to several specific purposes, internal to Russia. In this context, it must be considered that the current limitations do not constitute the "expropriation" of the amounts in any way (nor are they even indicators of a loss of control over the subsidiary's assets). Rather, they derive from the temporary legal "freezing" of the free availability of amounts which, based on economic rights, would otherwise be available for their owner.

With regard to the valuation of equity investments, it is specified that:
– with regard to Banca Intesa Russia (equity investment 47%-owned by Intesa Sanpaolo and 53%-owned by Intesa Sanpaolo Holding International), as at 31 December 2025, in continuity with the 2024 Financial Statements and pending future monitoring of geopolitical developments on which any further action may be based, the value of the investment was prudently kept at zero;
– also for Pravex, in continuity with the 2024 Financial Statements, on a prudential basis, the value of the investment was kept at zero as at 31 December 2025.

The total exposure to the Russian Federation has constantly been decreasing sharply, as indicated by the ECB recommendations, the last of which was issued in December 2024 ("Decision establishing prudential requirements relating to further reduction of the risks connected with the Supervised Entity's business in Russia"). The Decision Letter imposes restrictions on Intesa Sanpaolo directly aimed at the operations of Banca Intesa Russia, along with a recommendation regarding the reduction of the Group's cross-border operations in Russia. The measures set out for Banca Intesa Russia consist of reducing i) the loan portfolio; ii) the volume of customer deposits; iii) the placement of deposits with financial institutions domiciled in Russia; and iv) payment activities originating from Russia, in currencies other than the rouble.
That said, following the de-risking carried out in the three-year period 2022-2024, the exposures to Russian and Ukrainian customers (and securities) for Intesa Sanpaolo S.p.A. remained marginal also at the end of 2025. There are mainly on-balance sheet exposures referring to Russian banking counterparties, for a total of 94 million euro (123 million euro as at 31 December 2024), mainly to Banca Intesa Russia.

Lastly, it is also noted that, given the material nature of the issues in question, in the Report on operations of the Consolidated Financial Statements, a specific section was dedicated to "The military conflict between Russia and Ukraine". This section summarises the exposures of the Group due from entities resident in the two countries and the main related accounting issues, including those of measurement, in addition to the initiatives of the Intesa Sanpaolo Group in favour of Ukraine, as well as the aspects regarding the framework of sanctions against the Russian Federation and cybersecurity.

OTHER ASPECTS

Option for the national fiscal consolidation provisions

Intesa Sanpaolo and the Group's Italian companies have adopted the "national fiscal consolidation", set forth by Articles 117-129 of the Combined Tax Regulations, introduced by Legislative Decree 344/2003. It provides an option, based on which the total net income or fiscal loss of every subsidiary taking part in the fiscal consolidation procedure – together with withholding tax, tax deductions and tax credits – is transferred to the parent company, which determines a single taxable income or loss carried forward (that is the result of the sum of its own income/loss and of the income/loss of the participating subsidiaries) and, consequently, a sole tax debit/credit. Based on this option, Group companies that opted for the "national fiscal consolidation" determine the tax charge pertaining to them and the corresponding taxable income is transferred to the Parent Company.

Set up of a VAT Group

Intesa Sanpaolo and all of the Group companies that meet the requirements for participation opted to set up the VAT Group, governed by Articles from 70-bis to 70-duodecies of Presidential Decree 633/1972.
This option takes effect from 1 January 2019 and has a duration of three years, automatically renewed each year, unless revoked.
As a result of this option, the tax will not apply to either the provision of services and sales of goods between participating parties, with a few exceptions. Sales of goods and provision of services by a participating party to an external party shall be considered made out by the VAT Group. Sales of goods and provision of services by an external party to a participating party shall be considered made to the VAT Group.

"Cooperative compliance" regime

Intesa Sanpaolo applied for and obtained from the Italian Revenue Agency admission to the "cooperative compliance" regime set out in Legislative Decree 128/2015. The admission is effective from the tax period 2017.
The purpose of this regime is to promote the use of enhanced forms of communication and cooperation based on the reciprocal trust between the tax authorities and the taxpayer, as well as favouring the prevention and resolution of tax disputes, in the common interest of the parties.
Under the regime, Intesa Sanpaolo is required to maintain an appropriate system of recognition, measurement and management of tax risk as well as act in a cooperative and transparent manner, and the Italian Revenue Agency is required to promote a relationship based on the principles of transparency, cooperation and fairness.
In addition to Intesa Sanpaolo, the following companies applied for admission and were admitted to the regime: Fideuram - Intesa Sanpaolo Private Banking (with effect from 2018), as well as Intesa Sanpaolo Assicurazioni, Intesa Sanpaolo Protezione, Fideuram Vita and Eurizon SGR (with effect from 2019). Intesa Sanpaolo Private Banking and SIREF were admitted in 2021 with effect from 2020.

Certifications pursuant to Article 154 bis of the Consolidated Law on Finance and non-EU subsidiaries

Please refer to Part E of the Notes to the consolidated financial statements for information on the disclosure about the Certifications pursuant to Article 154 bis of the Consolidated Law on Finance and subsidiaries based in non-European countries that are considered significant on the basis of the Consob regulations.

Auditing

EY S.p.A. audited the Intesa Sanpaolo financial statements, in execution of the Shareholders' Meeting resolution of 30 April 2019, which appointed the company as independent auditor for the years from 2021 to 2029, included.

Other aspects

A reformulation of the rules on the transparency of government grants laid down in Article 1, paragraphs 125-129 of Law No. 124/2017 has been introduced in Article 35 of Decree Law 34/2019 (the "Growth" Decree), converted by Law 58/2019. This reformulation indicates that the scope of transparency obligations applies to information regarding grants, subsidies, advantages, contributions or aid, in cash or in kind, "not of a general character and which do not represent consideration, remuneration or compensation" effectively disbursed by public authorities and the entities indicated in Article 2-bis of Legislative Decree 33/2013.
In the light of this reformulation, additional interpretative clarification provided in Assonime Circular No. 32 of 23 December 2019 has confirmed that the transparency obligation applies to awards of economic benefits arising from a bilateral relationship between a public entity and a specific beneficiary. Sums received by a company as consideration for a service rendered, as remuneration for an assignment received or as compensation for damages are expressly excluded. Economic advantages received in application of a general regime, such as tax or contribution relief accessible to all parties who meet certain conditions, are also excluded.
In consideration of the above, there were no cases to report in 2025 for Intesa Sanpaolo.
In the interest of completeness, reference should also be made to the National State Aid Registry, available for public consultation on the relevant website, in which aid measures and the related individual aid packages granted and recorded in the system by the managing entities are published, although, given the foregoing, for Intesa Sanpaolo the circumstances indicated therein for the year 2025 are not subject to financial statement transparency obligations pursuant to paragraphs 125 and 125-bis.

A.2 – MAIN FINANCIAL STATEMENT CAPTIONS

To ensure uniformity in the accounting policies used for the financial statements, the Intesa Sanpaolo Group has adopted an internal set of rules and policies for the various operational and organisational areas.

The methodological document used for the application of the accounting standards is the "Group Accounting Policies", which describes the application models adopted by the Group, within the framework of the standards and the legislation applicable to the various companies/subsidiaries, and sets out the choices made when the regulations envisage alternative or optional accounting treatments.

With regard to the valuation processes, the Group, in the document "Guidelines for the valuation of Balance Sheet Items", has drawn up the principles and regulatory framework for the valuation of the balance sheet items and the roles and responsibilities of the Corporate Bodies, the Manager responsible for preparing the Company's financial reports and the Parent Company's corporate functions involved in the valuation process; the prerequisites for the existing valuation processes and the control system necessary to ensure proper valuation; the general valuation processes based on accounting standards specific to the various categories of balance sheet items being measured (assets and liabilities); and the rules for guidance and coordination of Group Companies on the valuation of balance sheet items.

The guidelines and policies also include the "Business Model Rules", the "Rules on the measurement of Expected Credit Loss in accordance with IFRS 9" ("Impairment Policy"), and the Guidelines and "Rules for Valuation of Financial Instruments at Fair Value" (former Fair Value Policy), in addition to more specific documents relating to non-performing loans, equity investments, and the management of hedging financial instruments.

Finally, with regard to prudential supervision, the Group has drawn up a specific document called "Harmonised Prudential Supervision Rules".

In general, these documents are approved by the competent Corporate Bodies. They are updated by the management structures in response to needs arising both from external factors (e.g. changes in regulations) and from internal factors within the Group (e.g. new operations and products). Those documents are subject to a specific approval process, based on the significance and scope of the changes made.

1. Financial assets measured at fair value through profit or loss (FVTPL)

Classification criteria

This category contains the financial assets not classified as Financial assets measured at fair value through other comprehensive income or as Financial assets measured at amortised cost. This caption includes in particular:

– financial assets held for trading, essentially consisting of debt securities and equity instruments and the positive value of derivative contracts held for trading;
– financial assets mandatorily measured at fair value through profit or loss, consisting of financial assets that do not meet the requirements for measurement at amortised cost or at fair value through other comprehensive income. These are financial assets whose contractual terms do not solely envisage payments of principal and interest on the principal amount outstanding (SPPI Test not passed) or that are not held under a Hold to Collect business model or a Hold to Collect and Sell business model;
– financial assets designated at fair value, i.e. financial assets that are defined as such upon initial recognition and when the conditions apply. In relation to this case, an entity may irrevocably designate a financial asset as measured at fair value through profit or loss only if it eliminates or significantly reduces a measurement inconsistency.

This caption therefore includes:

– debt securities and loans that are included in an Other/Trading business model (i.e., that do not come under the Hold to Collect or Hold to Collect and Sell business models) or that do not pass the SPPI Test, including the portions of syndicated loans subscribed or other types of loans that are originally intended to be sold and are not part of a Hold to Collect and Sell business model;
– equity instruments – that do not qualify as investments in subsidiaries, associates or joint ventures – held for trading purposes or for which the option was not exercised, upon initial recognition, to designate them at fair value through other comprehensive income;
– quotas of UCI (Undertakings for Collective Investment).

This caption also includes the derivatives, recognised under financial assets held for trading, which are presented as assets if the fair value is positive and as liabilities if the fair value is negative. The positive and negative current values arising from transactions with the same counterparty – also between derivatives allocated to the trading book and hedging derivatives, as envisaged by the Bank of Italy Circular 262 – may be offset only when the legal right to offset amounts recognised for accounting purposes currently exists and the net settlement of positions subject to offsetting is carried out.

Derivatives also include those embedded in combined financial contracts – where the host contract is a financial liability – which are subject to separate accounting when:
– their economic characteristics and risks are not closely related to the characteristics of the host contract;
– the embedded instruments, even though separate, fully meet the definition of derivative;
– the combined instruments are not measured at fair value with changes in fair value recognised through profit or loss.

According to the general rules established by IFRS 9 on the reclassification of financial assets (except for equity instruments, for which no reclassification is permitted), reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for those financial assets. In such cases, which are expected to be highly infrequent, the financial assets may be reclassified from those measured at fair value through profit or loss to one of the other two categories established by IFRS 9 (Financial assets measured at amortised cost or Financial assets measured at fair value through other comprehensive income). The transfer value is the fair value at the time of the reclassification and the effects of the reclassification apply prospectively from the reclassification date. In this case, the effective interest rate of the reclassified financial asset is determined based on its fair value at the reclassification date and that date is considered as the initial recognition date for the credit risk stage assignment for impairment purposes.
For more information regarding the classification criteria for the financial instruments see the paragraph below "Classification drivers for the financial assets".

Recognition criteria
Initial recognition of financial assets occurs at settlement date for debt securities and equity instruments, at disbursement date for loans and at trade date for derivative contracts.
On initial recognition, financial assets measured at fair value through profit or loss are recognised at fair value, without considering transaction costs or revenues directly attributable to the instrument.

Measurement criteria
After initial recognition, the financial assets measured at fair value through profit or loss are recorded at fair value. The effects of the application of this measurement criterion are recorded in the income statement.

For the determination of the fair value of financial instruments quoted on active markets, market quotations are used. If the market for a financial instrument is not active, standard practice estimation methods and valuation techniques are used which consider all the risk factors correlated to the instruments and that are based on market elements such as: valuation of quoted instruments with the same characteristics, calculation of discounted cash flows, option pricing models, recent comparable transactions, etc.. For equities and derivative instruments that have equities as underlying assets, which are not quoted on an active market, the cost approach is used as the estimate of fair value only on a residual basis and in a small number of circumstances, i.e., when all the measurement methods referred to above cannot be applied, or when there are a wide range of possible measurements of fair value, in which cost represents the most significant estimate.
For more information regarding the criteria for the determination of fair value, see the Section "A.4 – Information on Fair Value".

Derecognition criteria
Financial assets are derecognised solely if the sale leads to the substantial transfer of all the risks and rewards connected to the assets. Conversely, if a significant part of the risks and rewards relative to the disposed financial assets is maintained, they continue to be recorded in the financial statements, even though their title has been transferred.
When it is not possible to ascertain the substantial transfer of risks and rewards, the financial assets are derecognised where no control over the assets has been maintained. If this is not the case, when control, even partial, is maintained, the assets continue to be recognised for the entity's continuing involvement, measured by the exposure to changes in value of assets sold and to variations in the relevant cash flows.
Lastly, disposed financial assets are derecognised if the entity retains the contractual rights to receive the cash flows of the asset, but signs a simultaneous obligation to pay such cash flows, and only such cash flows, without significant delay to third parties.

2. Financial assets measured at fair value through other comprehensive income (FVOCI)

Classification criteria
This category includes the financial assets that meet both the following conditions:
– the financial asset is held under a business model whose objective is achieved both through the collection of expected contractual cash flows and through sale (Hold to Collect and Sell business model),
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI Test" passed).

This caption also includes equity instruments, not held for trading, for which the option was exercised upon initial recognition of their designation at fair value through other comprehensive income.

In particular, this caption includes:
– debt securities that can be attributed to a Hold to Collect and Sell business model and that have passed the SPPI test;
– equity interests, that do not qualify as investments in subsidiaries, associates or joint ventures and are not held for trading, for which the option has been exercised of their designation at fair value through other comprehensive income;
– loans that are attributable to a Hold to Collect and Sell business model and have passed the SPPI Test, including the portions of syndicated loans subscribed or other types of loans that are originally intended to be sold and are part of a Hold to Collect and Sell business model.

According to the general rules established by IFRS 9 on the reclassification of financial assets (except for equity instruments, for which no reclassification is permitted), reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for those financial assets.
In such cases, which are expected to be highly infrequent, the financial assets may be reclassified from those measured at fair value through other comprehensive income to one of the other two categories established by IFRS 9 (Financial assets measured at amortised cost or Financial assets measured at fair value through profit or loss). The transfer value is the fair value at the time of the reclassification and the effects of the reclassification apply prospectively from the reclassification date. In the event of reclassification from this category to the amortised cost category, the cumulative gain (loss) recognised in the valuation reserve is allocated as an adjustment to the fair value of the financial asset at the reclassification date. In the event of reclassification to the fair value through profit or loss category, the cumulative gain (loss) previously recognised in the valuation reserve is reclassified from shareholders' equity to net income (loss).
For more information regarding the classification criteria for the financial instruments see the paragraph below "Classification drivers for the financial assets".

Recognition criteria
Initial recognition of financial assets occurs at settlement date for debt securities and equity instruments and at disbursement date for loans. On initial recognition, assets are recorded at fair value, including transaction costs and revenues directly attributable to the instrument.

Measurement criteria
After initial recognition, the Assets classified at fair value through other comprehensive income, other than equity instruments, are measured at fair value, with the recognition in profit or loss of the impact resulting from the application of the amortised cost, the impairment effects and any exchange rate effect, whereas the other gains and losses resulting from a change in fair value are recognised in a specific shareholders' equity reserve until the financial asset is derecognised. Upon the total or partial sale, the cumulative gain or loss in the valuation reserve is transferred, in whole or in part, to the income statement.
Equity instruments, for which the choice has been made to classify them in this category, are measured at fair value and the amounts recognised in other comprehensive income cannot be subsequently transferred to profit or loss, not even if they are sold. The only component related to these equities that is recognised through profit or loss is their dividends.
Fair value is determined on the basis of the criteria already described for Financial assets measured at fair value through profit or loss.
For the equity instruments included in this category, which are not quoted on an active market, the cost approach is used as the estimate of fair value only on a residual basis and in a small number of circumstances, i.e., when all the measurement methods referred to above cannot be applied, or when there are a wide range of possible measurements of fair value, in which cost represents the most significant estimate.
For more information regarding the criteria for the determination of fair value, see the Section "A.4 – Information on Fair Value".

Financial assets measured at fair value through other comprehensive income – both in the form of debt securities and loans – are subject to the verification of the significant increase in credit risk (impairment) required by IFRS 9, in the same way as Assets measured at amortised cost, with the consequent recognition through profit or loss of a value adjustment to cover the expected losses. More specifically, for instruments classified as stage 1 (i.e., financial assets at origination, when not impaired, and instruments for which there has not been a significant increase in credit risk since the initial recognition date), a 12-month expected loss is recognised on the initial recognition date and at each subsequent reporting date. For instruments classified as stage 2 (performing for which there has been a significant increase in credit risk since the initial recognition date) and as stage 3 (credit-impaired exposures), a lifetime expected loss for the financial instrument is recognised.
Equity instruments are not subject to the impairment process.
See the paragraph below "Impairment of financial assets" for more details.

Derecognition criteria
Financial assets are derecognised solely if the sale leads to the substantial transfer of all the risks and rewards connected to the assets. Conversely, if a significant part of the risks and rewards relative to the disposed financial assets is maintained, they continue to be recorded in the financial statements, even though their title has been transferred.
When it is not possible to ascertain the substantial transfer of risks and rewards, the financial assets are derecognised where no control over the assets has been maintained. If this is not the case, when control, even partial, is maintained, the assets continue to be recognised for the entity's continuing involvement, measured by the exposure to changes in value of assets sold and to variations in the relevant cash flows.
Lastly, disposed financial assets are derecognised if the entity retains the contractual rights to receive the cash flows of the asset, but signs a simultaneous obligation to pay such cash flows, and only such cash flows, without significant delay to third parties.

3. Financial assets measured at amortised cost

Classification criteria

This category includes the financial assets (in particular loans and debt securities) that meet both the following conditions:
– the financial asset is held under a business model whose objective is achieved through the collection of expected contractual cash flows (Hold to Collect business model), and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI Test" passed).

More specifically, the following are recognised in this caption:
– loans to banks in their various forms that meet the requirements referred to above;
– loans to customers in their various forms that meet the requirements referred to above;
– debt securities that meet the requirements referred to above.

This category also includes the operating loans and receivables connected to the provision of financial activities and services as defined by the Consolidated Law on Banking and the Consolidated Law on Finance (e.g. for the distribution of financial products and servicing activities).

According to the general rules established by IFRS 9 on the reclassification of financial assets, reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for those financial assets. In such cases, which are expected to be highly infrequent, the financial assets may be reclassified from the amortised cost category to one of the other two categories established by IFRS 9 (Financial assets measured at fair value through other comprehensive income or Financial assets measured at fair value through profit or loss). The transfer value is the fair value at the time of the reclassification and the effects of the reclassification apply prospectively from the reclassification date. Gains and losses resulting from the difference between the amortised cost of a financial asset and its fair value are recognised through profit or loss in the event of reclassification to Financial assets measured at fair value through profit or loss and under Shareholders' equity, in the specific valuation reserve, in the event of reclassification to Financial assets measured at fair value through other comprehensive income.

For more information regarding the classification criteria for the financial instruments see the paragraph below "Classification drivers for the financial assets".

Recognition criteria

Initial recognition of the financial asset occurs at settlement date for debt securities and at disbursement date for loans. On initial recognition, assets are recorded at fair value, including transaction costs and revenues directly attributable to the instrument.
In particular, for loans, the disbursement date is usually the same as the date of signing of the contract. Should this not be the case, a commitment to disburse funds is made along with the subscription of the contract, which will cease to exist upon disbursement of the loan. The loan is recognised based on its fair value, equal to the amount disbursed or subscription price, inclusive of the costs/revenues directly attributable to the single loan and determinable from inception, even when settled at a later date. Costs that, even with the aforementioned characteristics, are reimbursed by the borrower or are classifiable as normal internal administrative costs are excluded.

Repurchase agreements are recognised as funding or lending transactions. Specifically, they are recognised as payables for the spot amount received or as receivables for the spot amount paid.

Measurement criteria

After the initial recognition, these financial assets are measured at amortised cost, using the effective interest method. The assets are recognised in the balance sheet at an amount equal to their initial carrying amount less principal repayments, plus or minus the cumulative amortisation (calculated using the effective interest method) of the difference between this initial amount and the amount at maturity (typically attributable to costs/income directly attributable to the individual asset) and adjusted by any provision for losses. The effective interest rate is the rate that exactly discounts estimated future cash payments of the asset, as principal and interest, to the amount disbursed inclusive of the costs/revenues attributable to that financial asset. This measurement method uses a financial approach and allows distribution of the economic effect of the costs/income directly attributable to a financial asset over its expected lifetime.
The amortised cost method is not used for assets, measured at historical cost, whose short duration makes the effect of discounting negligible, or for assets without a definite maturity or revocable loans.
The measurement criteria, as described in more detail in the paragraph "Impairment of financial assets", are closely linked to the inclusion of these instruments in one of the three stages of credit risk established by IFRS 9, the last of which (Stage 3) consists of non-performing financial assets and the remaining (Stages 1 and 2) of performing financial assets.

With regard to the accounting representation of the above measurement effects, the adjustments for this type of asset are recognised in profit or loss:
– on initial recognition, for an amount equal to the 12-month expected credit loss;
– on subsequent measurement of the asset, when the credit risk has not increased significantly since initial recognition, in relation to changes in the amount of adjustments for the 12-month expected credit losses;
– on subsequent measurement of the asset, when the credit risk has increased significantly since initial recognition, in relation to the recognition of adjustments for expected credit losses over the contractually agreed remaining lifetime of the asset;
– on subsequent measurement of the asset, where – after a significant increase in credit risk has occurred since initial recognition – the increase is no longer "significant" due to the alignment of the cumulative value adjustments to take account of the change from a lifetime expected credit loss to a 12-month expected credit loss for the instrument.

These financial assets, when they are performing, are subject to an assessment, aimed at establishing the value adjustments to be recognised in the financial statements, at the level of individual loan (or "tranches" of securities), according to the risk parameters consisting of Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), derived from the AIRB models, and duly adjusted to take account of the provisions of IFRS 9.

If, in addition to a significant increase in credit risk, there is also objective evidence of impairment, the amount of the loss is measured as the difference between the carrying amount of the asset – classified as "non-performing", like all the other relationships with the same counterparty – and the present value of the estimated future cash flows, discounted using the original effective interest rate. The amount of the loss, to be recognised through profit or loss, is established based on individual measurement or determined according to uniform categories and, then, individually allocated to each position, and, as detailed in the paragraph "Impairment of financial assets", takes account of forward-looking information and possible alternative recovery scenarios.

Non-performing assets include financial assets classified as bad, unlikely-to-pay or past due by over ninety days according to the rules issued by the Bank of Italy, in line with the IAS/IFRS and EU Supervisory Regulations.

The expected cash flows take into account the expected recovery times and the estimated realisable value of any guarantees. The original effective rate of each asset remains unchanged over time even if the relationship has been restructured with a variation of the contractual interest rate and even if the relationship, in practice, no longer bears contractual interest.

If the reasons for impairment are no longer applicable following an event subsequent to the registration of impairment, recoveries are recorded in the income statement. The size of the recovery must not lead the carrying value of the financial asset to exceed the amortised cost had no impairment losses been recognised in previous periods.

Recoveries on impairment with time value effects are recognised in net interest income.

In some cases, during the lifetime of these financial assets, and of loans in particular, the original contractual conditions may be subsequently modified by the parties to the contract. When the contractual clauses are subject to change during the lifetime of an instrument, it is necessary to verify whether the original asset should continue to be recognised in the balance sheet or whether, instead, the original instrument needs to be derecognised and a new financial instrument needs to be recognised.

In general, changes to a financial asset lead to its derecognition and the recognition of a new asset when they are "substantial". The assessment of the "substantial nature" of the change must be made using both qualitative and quantitative information. In some cases, in fact, it may be clear, without resorting to complex analysis, that the changes introduced substantially modify the characteristics and/or contractual flows of a particular asset while, in other cases, further analysis (including quantitative analysis) will need to be carried out to assess the effects of the changes and verify whether or not to derecognise the asset and recognise a new financial instrument.

The qualitative and quantitative analyses aimed at defining the "substantial nature" of contractual changes made to a financial asset must therefore consider:
– the purposes for which the changes were made: e.g. renegotiations for commercial reasons and forbearance measures due to financial difficulties of the counterparty:
  - the former, aimed at "retaining" the customer, involve a borrower that is not in financial difficulty. This category includes all renegotiations aimed at aligning the cost of the debt to market conditions. These operations involve a change in the original conditions of the contract, usually requested by the borrower and relating to aspects concerning the cost of the debt, with a consequent economic benefit for the borrower. In general, whenever the bank carries out a renegotiation to avoid losing its customer, that renegotiation should be considered as substantial because, if it were not carried out, the customer could borrow from another intermediary and the bank would incur a decrease in expected future revenues;
  - the latter, carried out for "reasons of credit risk" (forbearance measures), relate to the bank's attempt to maximise the recovery of the cash flows of the original loan. The underlying risks and rewards, following the changes, are not normally substantially transferred and, consequently, the accounting representation that provides the most relevant information for the readers of the financial statements (apart from the triggers discussed below) is "modification accounting" – which involves the recognition through profit or loss of the difference between the carrying value and the present value of the modified cash flows discounted at the original interest rate – rather than derecognition;
– the presence of specific triggers that affect the contractual characteristics and/or cash flows of the financial instrument (such as, for example, a change in currency or a modification of the type of risk the financial instrument is exposed to, when correlated to equity and commodity parameters), which are considered to result in derecognition due to their impact (expected to be significant) on the original contractual cash flows.

Derecognition criteria

Financial assets are derecognised solely if the sale leads to the substantial transfer of all the risks and rewards connected to the assets. Conversely, if a significant part of the risks and rewards relative to the disposed financial assets is maintained, they continue to be recorded in the financial statements, even though their title has been transferred.

When it is not possible to ascertain the substantial transfer of risks and rewards, the financial assets are derecognised where no control over the assets has been maintained. If this is not the case, when control, even partial, is maintained, the assets continue to be recognised for the entity's continuing involvement, measured by the exposure to changes in value of assets sold and to variations in the relevant cash flows.

Lastly, disposed financial assets are derecognised if the entity retains the contractual rights to receive the cash flows of the asset, but signs a simultaneous obligation to pay such cash flows, and only such cash flows, without significant delay to third parties.

4. Hedging transactions

Intesa Sanpaolo has exercised the option, provided for on the introduction of IFRS 9, of continuing to fully apply the provisions of IAS 39 on hedge accounting (in the carved-out version endorsed by the European Commission) for each type of hedge (both for micro hedges and macro hedges).

Classification criteria: type of hedge

Hedging transactions are aimed at neutralising potential losses on a specific item or group of items, attributable to a certain risk, if such a risk should actually occur.

The following types of hedging transactions are used:

– fair value hedge, which has the objective of covering exposure to changes in the fair value (attributable to the different risk categories) of assets and liabilities in the balance sheet, or on a portion of these, of groups of assets/liabilities, of binding commitments and portfolios of financial assets and liabilities, including core deposits, as permitted by IAS 39 endorsed by the European Commission. Fair value macro hedges are aimed at reducing fluctuations in the fair value, as a result of interest rate risk, of a sum of money flowing from a portfolio of financial assets or liabilities. Net amounts resulting from mismatches between assets and liabilities cannot be subject to macro hedges;
– cash flow hedge, which has the objective of covering exposure to variability in future cash flows attributable to particular risks associated with balance sheet captions. This type of hedge is essentially used to stabilise the interest flow on floating rate funding to the extent that the latter finances fixed rate investments. In certain circumstances, similar transactions are carried out with respect to some types of floating rate investments;
– hedges of net investments in foreign currency, which refer to the coverage of the risks of net investments in foreign operations expressed in their original currency.

Only hedging transactions which involve counterparties outside the Bank may qualify for hedge accounting.

The choice made by the Group to take advantage of the possibility of continuing to fully apply the IAS 39 rules for hedging relationships means that the equity instruments classified as Financial assets measured at fair value through other comprehensive income (FVOCI) cannot be measured as hedged items for price or exchange rate risk, since these instruments are not recognised through profit or loss, not even if they are sold (except for dividends that are recognised through profit or loss).

Recognition criteria

Hedging derivatives, like all derivatives, are initially recognised and subsequently measured at fair value.

A relationship qualifies as a hedging relationship, and is appropriately reported in the financial statements only if, all of the following conditions are met:

– at the inception of the hedge, the hedging relationship is formally designated and documented, including the company's risk management objectives and strategy in undertaking the hedge. This documentation includes the identification of the hedging instrument, the item or transaction hedged, the nature of the risk being hedged, and how the entity will assess the hedging instrument's effectiveness in offsetting the exposures to changes in the fair value of the item hedged or in the cash flows attributable to the risk hedged;
– the hedge is expected to be highly effective;
– the planned transaction hedged, to hedge the cash flows, is highly probable and has an exposure to changes in cash flows that could have effects on the income statement;
– the effectiveness of the hedge can be reliably measured;
– the hedge is measured on an ongoing basis and is considered highly effective for all the financial years in which it is designated.

Measurement criteria

Hedging derivatives are measured at fair value. In particular:

– in the case of fair value hedges, the change in the fair value of the hedged item is offset by the change in fair value of the hedging instrument. Offsetting is recognised via the registration in the income statement of the gains and losses referred to both the hedged item (with regard to the variations produced by the underlying risk factor), and the hedging instrument. Any difference, which represents the partial ineffectiveness of the hedge, is therefore the net economic effect. In case of fair value macro hedges, fair value changes related to the hedged risk of assets and liabilities in hedged portfolios are allocated to the balance sheet under caption 60. "Fair value change of financial assets in hedged portfolios" or under caption 50. "Fair value change of financial liabilities in hedged portfolios";
– in the case of cash flow hedges, changes in fair value of the derivative are recorded in equity, for the effective portion of the hedge, and these are registered in the income statement only when, with reference to the hedged item, there is a variation in the flows to be offset or if the hedge is ineffective;
– hedges of net investments in foreign currency are treated in the same way as cash flow hedges.

The effectiveness of the hedge depends on the extent to which changes in the fair value of the hedged item or the relating expected cash flows are offset by those of the hedging instrument. Therefore, effectiveness is appraised by comparing the aforementioned changes, considering the intent pursued by the entity at the time in which it entered the hedging transaction. A hedge is effective when the variations in fair value (or cash flows) of the hedging financial instrument almost completely neutralise, that is within the 80-125% range, the changes in the fair value of the hedged item, for the type of risk being hedged.

Effectiveness is assessed at every close of annual or interim financial statements using:

– prospective tests, which justify the application of hedge accounting, since these prove the expected effectiveness of the hedge;
– retrospective tests, which demonstrate the effectiveness of the hedge for the reference period, or measure how much the effective results diverge from perfect coverage.

Fair value hedge accounting is discontinued prospectively in the following cases:

– the hedging instrument expires or is sold, terminated, or exercised;
– the hedge no longer meets the hedge accounting criteria described above;
– the entity revokes the designation.

If such assessments do not confirm hedge effectiveness, from that moment hedge accounting is discontinued, the derivative is reclassified in instruments held for trading and the hedged item is measured on the basis of its classification in the balance sheet. If the assets or liabilities hedged are measured at amortised cost, the higher or lower value resulting from the fair value measurement due to the hedge becoming ineffective is recognised through profit or loss, using the effective interest rate method. When a fair value macrohedging relationship is discontinued, the cumulative change in fair value losses carried under caption 60 "Fair value change of financial assets in hedged portfolios" or caption 50. "Fair value change of financial liabilities in hedged portfolios" are transferred to the income statement among interest income or expense over the residual life of the original hedging relationships, without prejudice to verification that the requirements have been met.

An entity must discontinue cash flow hedge accounting prospectively in each of the following circumstances:

– the hedging instrument expires or is sold, terminated, or exercised (for this purpose the replacement or exchange of one hedging instrument with another hedging instrument is not a conclusion or termination if that replacement or exchange forms part of an entity's documented hedging strategy). In this case the total profit (or loss) on the hedging instrument continues to be recognised directly in shareholders' equity until the end of the reporting period in which the hedge became effective and it continues to be recognised separately until the programmed transaction, being hedged, occurs;
– the hedge no longer meets the criteria for hedge accounting. In this case the total profit or loss on the hedging instrument is recognised directly in shareholders' equity starting from the reporting period in which the hedge became effective and continues to be recognised separately in shareholders' equity until the programmed transaction occurs;
– it is no longer considered that the future transaction will occur, in which case any related total profit or loss on the hedging instrument recognised directly in equity starting from the reporting period in which the hedge became effective must be recognised through profit or loss;
– the entity revokes the designation. For hedges of a programmed transaction, total profits or losses on the hedging instrument recognised directly in shareholders' equity starting from the reporting period in which the hedge became effective continue to be recognised separately in shareholders' equity until the programmed transaction occurs or it is expected that it will no longer occur.

5. Equity investments

Classification, recognition and measurement criteria

The caption includes investments in subsidiaries, companies subject to joint control and associates.
Entities are considered subsidiaries where Intesa Sanpaolo is exposed to, or has rights to, variable returns from its involvement with them, and has the ability to affect those returns by exercising its own power over the entities in question.
Entities are considered to be companies subject to joint control (joint ventures), if control is contractually shared between Intesa Sanpaolo and one or more other parties external to the Group, or where the decisions about the relevant activities require the unanimous consent of all the parties sharing control.
Companies are considered subject to significant influence (associates) when Intesa Sanpaolo holds 20% or more of the voting rights (including "potential" voting rights) or if it – with a lower equity stake – has the power of participating in the determination of financial and management policies of the company based on specific juridical relations, such as the participation in voting syndicates.
Certain companies in which Intesa Sanpaolo holds a stake exceeding 20% are not considered subject to significant influence since it solely has economic rights on a portion of the returns generated by the investment, but does not have access to management policies and may exercise governance rights limited to the safeguarding of its economic interests.

Equity investments are recognised at settlement date. On initial recognition equity investments are recorded at cost.
Equity investments are measured at cost, which may be adjusted if impairment losses are deemed to have occurred. If there is evidence of impairment, the recoverable amount of the investment is estimated, considering the present value of the future cash flows which may be generated by the investment, including the final disposal value.
If the recoverable amount is lower than the carrying value, the difference is recorded in the income statement.
If the reasons for impairment are no longer applicable following an event subsequent to the registration of impairment, recoveries are recorded in the income statement.

Derecognition criteria

Equity investments are derecognised when the contractual rights to the cash flows from the assets expire or when the investment is sold, substantially transferring all the risks and rewards connected to the assets.

6. Property and equipment

Classification criteria

Property and equipment include land, owner-occupied property, investment property, valuable art assets, technical plants, furniture and fittings and any type of equipment that are expected to be used during more than one period.
Property and equipment held for use in the production or supply of goods and services are classified as "Property and equipment used in operations", in accordance with IAS 16. Real estate owned for investment purposes (to obtain rental income or gains on the capital invested) is classified as "Investment property" based on IAS 40.
This caption also includes property and equipment classified in accordance with IAS 2 Inventories, which refer both to assets resulting from the enforcement of guarantees or from purchase at auction that the company intends to sell in the near future, without carrying out major renovation work, and which do not meet the requirements for classification in the previous categories.
Lastly, they include the rights of use acquired under a lease and relating to the use of an item of property and equipment (for lessees) and assets leased under an operating lease (for lessors).

Recognition criteria

Property and equipment are initially measured at cost which comprises in addition to their purchase price any costs directly attributable to the purchase and required for them to be operational.
Extraordinary maintenance expenses which lead to a rise in future economic benefits are attributed to increase the value of assets, while other ordinary maintenance costs are recorded in the income statement.

Measurement criteria

Property and equipment are measured at cost, net of depreciation and impairment losses, except for owner-occupied properties and valuable art assets, which are measured according to the revaluation model.
The investment properties are measured with the fair value method.
For the property and equipment subject to assessment according to the revaluation model:

– if the carrying value of an asset is increased following a revaluation, the increase must be recognised in the Statement of comprehensive income and accumulated in the shareholders' equity under the caption revaluation reserve; conversely, in the case where an impairment loss on the same asset recognised previously in the income statement is recovered, it must be recognised as income;
– if the carrying value of an asset is decreased following the revaluation, the decrease must be recognised in the Statement of comprehensive income to the extent in which there are possible credit balances in the revaluation reserve referring to this asset; otherwise, this reduction is recorded in the Income statement.

Property and equipment are systematically depreciated, adopting the straight-line method over their useful life. The depreciable amount is the cost of the goods (or the net value recalculated if the method adopted for the valuation is the revaluation model) net of the residual value at the end of the depreciation period, if significant. Buildings are depreciated for a portion deemed to be suitable to represent their deterioration over time following their use, considering extraordinary maintenance expenses, which are recognised in the carrying value of the assets. In order to determine the useful life of the various types of assets and the corresponding depreciation rates, the Group's real estate assets have been divided into four clusters: (i) Historical and particularly prestigious properties (useful life of 65 years), (ii) Entire buildings (useful life of 33 years), (iii) Banking branches (useful life of 20 years) and (iv) Other properties (useful life of 20 years). These clusters do not include the New Intesa Sanpaolo

Headquarters in Turin, for which the useful life was estimated through a specific analysis which considered the peculiar architectural features of the building. Other property and equipment is depreciated based on the following useful lives: furniture from 5 to 10 years, plants from 4 to 10 years, hardware and IT equipment for a period from 4 to 8 years and, lastly, other assets from 3 to 13 years.

The following are not depreciated:
– land, irrespective of whether acquired individually or embedded in the value of buildings, since it has an indefinite useful life;
– the valuable art assets, the other historical, artistic and decorative assets, since their useful life cannot be estimated and their value is normally destined to increase over time;
– the investment properties, as required by IAS 40, are measured at fair value through profit or loss and therefore they must not be depreciated.

If there is some evidence that property and equipment measured at cost may have been impaired, the carrying amount of the asset and its recoverable amount are compared. Any impairment losses are recorded in the income statement.
If the reasons for impairment cease to exist, a value recovery is recorded and may not exceed the value that the asset would have had, net of depreciation, determined in the absence of previous impairment losses.

With regard to the property and equipment recognised in accordance with IAS 2, these are measured at the lesser of cost and net realisable value, without prejudice to the comparison between the asset's carrying amount and its recoverable amount where there is an indication that the asset may have been impaired. Any impairment losses are recorded in the income statement.

Property and equipment consisting of the right-of-use of assets subject to leases

According to IFRS 16, a lease is a contract or part of a contract that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

According to IFRS 16, leases are accounted for on the basis of the right of use model, where, at the initial date, the lessee has a financial obligation to make payments due to the lessor to compensate for its right of use of the underlying asset during the lease term.
When the asset is made available to the lessee for use (initial date), the lessee recognises both the liability and the asset consisting of the right of use.
In particular, the right of use acquired with a lease is measured as the sum of the present value of the future payments over the term of the contract, the lease payments made at or before the commencement date, the lease incentives received, if any, the initial direct costs and any estimated costs of dismantling or restoring the underlying asset.
The financial liability recognised corresponds to the present value of the payments to be made for the lease.

With regard to the discount rate, based on the requirements of IFRS 16, the Group uses the implicit interest rate for each lease contract, when it is available. For leases from the lessee's point of view, in some cases, for example for rental agreements, the implicit interest rate cannot always be readily determined without using estimates and assumptions (the lessee does not have enough information about the unguaranteed residual value of the leased asset). In these cases, the Group has developed a methodology for setting the incremental interest rate as an alternative to the implicit interest rate and has decided to adopt the Funds Transfer Pricing (FTP) method. This is based on an unsecured and amortising rate curve, which envisages lease payments for the lease contract that are typically constant over the lease term, rather than a single payment upon maturity. The FTP method takes into account the creditworthiness of the lessee, the term of the lease, as well as the economic environment in which the transaction takes place and is therefore in line with the requirements of the standard.

The lease term is determined taking into account:
– periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option;
– periods covered by an option to terminate the lease if the lessee is reasonably certain to exercise that option.

During the course of the lease term a lessee shall:
– measure the right-of-use at cost less accumulated depreciation and accumulated impairment losses determined and recognised based on the provisions of IAS 36 "Impairment of assets", adjusted to take account of any remeasurement of the lease liability;
– increase the liability arising from the lease following the accrual of interest expense calculated at the interest rate implicit in the lease or alternatively at the incremental borrowing rate, and decrease it for payments of principal and interest made.

If changes are made to the lease payments, then the lease liability must be remeasured and the impact of the remeasurement of the liability is recognised against the right-of-use asset.

Derecognition criteria
Property and equipment are derecognised from the balance sheet on disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from its disposal.

7. Intangible assets

Classification criteria
Intangible assets consist of goodwill and other intangible assets governed by IAS 38. They may include the rights of use acquired under a lease and relating to the use of an intangible asset (for lessees) and assets leased under an operating lease (for lessors).
Intangible assets are recognised as such if they may be identified and stem from legal or contractual rights. Intangible assets include goodwill, which represents the positive difference between purchase price and fair value of assets and liabilities pertaining to the acquired company.

Recognition and measurement criteria
Intangible assets are recognised at cost, adjusted for any accessory charges only if it is probable that the future economic benefits attributable to the assets will be realised and if the cost of the asset may be reliably determined. If this is not the case, the cost of the intangible asset is recorded in the income statement in the year in which it was incurred.
For assets with finite useful life, the cost is amortised on a straight-line basis or in decreasing portions determined on the basis of the economic benefits expected from the asset. Assets with indefinite useful life are not subject to systematic amortisation, but are periodically subjected to impairment testing.
If there is any indication that an asset may have suffered impairment losses, the asset's recoverable amount is estimated. The impairment loss, which is recorded in the income statement, is equal to the difference between the carrying value of the assets and the recoverable amount.

In particular, intangible assets include:
– technology-related intangible assets, such as software applications, which are amortised mainly on the basis of their expected technological obsolescence or, if lower, their expected use, and in any case generally no longer than a period of seven years. An exception are the core banking system platforms, whose useful life is estimated on a case-by-case basis, and, as a result, amortised over longer periods (from 10 to 15 years). Moreover, the costs incurred for the development of software are considered as intangible assets and are recognised under assets only when all the following conditions are met: i) the cost attributable to the intangible asset during its development can be measured reliably, ii) there is the intention, the availability of financial resources and the technical ability of making the intangible asset available for use or sale, iii) the future economic benefits to be generated by the asset can be demonstrated. Software development capitalised costs only comprise the costs directly attributable to the development process. Capitalised software development costs are amortised systematically over the estimated useful life of the relevant product/service so as to reflect the pattern in which the asset's future economic benefits are expected to be consumed by the entity from the beginning of production over the product's estimated life;
– customer-related intangibles mainly represented, in business combinations, by asset management relations, non-financial activities related to provision of services and insurance portfolios classified as investments. Such assets, with a finite life, are originally measured by the discounting, using a rate representing the time value of money and the asset's specific risks, of the income margins on the ongoing relations at the time of the business combination over a period which expresses their residual, contractual or estimated life. For asset management relations and non-financial activities related to provision of services, they are amortised on a straight-line basis over the period of greater significance of the expected economic benefits in case of relations which do not have a predetermined duration and, for relations from insurance products classified as investments, generally in decreasing portions corresponding to the duration of the contract in case of relations with predetermined expiry (residual lives of the policies);
– marketing-related intangibles represented by the measurement of the brand name which is also recorded at the time of business combinations. This asset is considered as having indefinite life since it is deemed to contribute for an indefinite period of time to the formation of income flows.

Lastly, intangible assets include goodwill.

With respect to business combinations, goodwill may be recorded when the positive difference between the fair value of shareholders' equity acquired and the purchase price of the equity investment is representative of the future income-generation potential of the equity investment.
If this difference is negative (negative goodwill) or if goodwill may not be attributed considering future income-generation potential of the equity investments, the same difference is directly recorded in the income statement.
Once a year (or every time that there is evidence of impairment losses), an impairment test is carried out for goodwill. This requires the identification of the Cash Generating Unit (or CGU) to which goodwill is allocated. The cash-generating units of the Intesa Sanpaolo Group correspond to the operating divisions presented in segment reporting. The business operations carried out directly by the Parent Company falls under the Cash-generating units corresponding to Banca dei Territori and Corporate and Investment Banking. Therefore, goodwill is allocated to such divisions. Any impairment losses are determined on the basis of the difference between the recognition value of goodwill and its recoverable amount, if lower. The recoverable amount is equal to the higher between the fair value of the cash-generating unit, less any cost to sell, and the relative value in use. The consequent adjustments are posted in the income statement.

With regard to the intangible asset represented by the brand name, if the reference CGU does not have any goodwill allocated, then an independent and specific valuation is made of the intangible on the basis of the fair value certified by the appraisal of

an independent expert. If the fair value of the brand name is not higher than its carrying amount, the recoverable amount of the CGU is estimated, calculated based on future cash flows.

It is also noted that, where a CGU which is allocated both goodwill and a brand name has a value in use lower than the carrying amount, by an amount that exceeds the total value of the intangibles with indefinite life allocated, without prejudice to the full write-down of goodwill, an autonomous valuation of the brand name is carried out based on the fair value stated in the specific appraisal.

Derecognition criteria
Intangible assets are derecognised from the balance sheet on disposal and if no future economic benefits are expected.

8. Other assets

Other assets essentially consist of items awaiting classification and items not attributable to the other balance-sheet captions, including receivables arising from the supply of goods and non-financial services, sundry tax items other than those recognised in their own caption (e.g., connected to withholding agent activities), gold, silver and precious metal, the tax credits connected with the "Cura Italia" and "Rilancio" Decree Laws and accrued income other than that capitalised on the related financial assets, including the income resulting from contracts with customers in accordance with IFRS 15, paragraphs 116 and following. As required by paragraphs 91 and following of IFRS 15, the costs incurred for the acquisition and fulfilment of long-term contracts with customers are capitalised and amortised when they are incremental and are expected to be recovered.

9. Non-current assets held for sale and discontinued operations and Liabilities associated with non-current assets held for sale and discontinued operations

Non-current assets/liabilities for which a disposal process has commenced and for which disposal is deemed to be extremely probable are recorded in assets under Non-current assets held for sale and discontinued operations and in liabilities under Liabilities associated with non-current assets held for sale and discontinued operations. These assets/liabilities are measured at the lower of the carrying amount and fair value less cost to sell, except for some type of assets (e.g., financial assets within the scope of IFRS 9) for which IFRS 5 specifically establishes that the measurement principles of the applicable accounting standard must be used. The assets that are subject to amortisation/depreciation under the IAS/IFRS are no longer amortised/depreciated when they are classified under non-current assets held for sale and discontinued operations.
Non-current assets held for sale and discontinued operations may include portfolios of assets for which there are no prices in an active market. In such case, where an agreement has been reached with the purchaser, they are measured at fair value by referring to the sale prices resulting from that agreement. Where there is no agreement, they are measured using specific valuation techniques based on the asset and, where necessary, by employing external fairness opinions.
The income and charges (net of tax effect) attributable to non-current assets held for sale and discontinued operations or recorded as such in the year are recognised in the income statement in a separate caption.

10. Current and deferred tax

Taxes on income[409], calculated according to domestic tax regulations, are accounted for as a cost on an accruals basis, in line with the method followed to include, in the financial statements, the costs and income that generated them. Therefore, they represent the balance of current and deferred income taxes[410] for the year. Current tax assets and liabilities include the balances of the Bank due to the relevant Italian and foreign tax authorities relating to direct taxation. More specifically, these captions include the net balance of tax liabilities from previous years and the current year, calculated on the basis of a prudent estimate of the tax charges due for the year, assessed according to the tax regulations currently in force, and the current tax assets represented by advances, by withholding taxes borne or other tax credits. The risk inherent in such proceedings and the risks inherent in proceedings where preliminary disbursements have not been requested are evaluated in applying the principles contained in IAS 37 regarding the best estimate of the economic resources required.
Considering the Group's adoption of the national fiscal consolidation provisions, tax positions which may be referred to the Bank and those originated by other Italian Group companies are managed separately from an administrative standpoint.
Deferred taxation is calculated according to the balance sheet liability method, taking into account the tax effect of the temporary differences between the book value of the assets and liabilities and their value for taxation purposes, which will determine taxable income or deductible amounts in the future. To this end, "taxable temporary differences" are differences which will give rise to taxable income in future years while "deductible temporary differences" are those which will give rise to deductible amounts in future years.
Deferred tax liabilities are calculated by applying the tax rates currently in force to taxable temporary differences that are likely to generate a tax burden, and to the deductible temporary differences for which it is likely that there will be future taxable amounts at the time when the related tax deductibility occurs (so-called probability test). Deferred tax assets and liabilities related to the same tax and due in the same period are offset.
If deferred tax assets and liabilities refer to items affecting the Income statement, the balancing entry is represented by taxes on income.
Where deferred tax assets and liabilities relate to transactions that have been recorded in shareholders' equity without affecting earnings (such as adjustments on IAS/IFRS first-time adoption, measurements of financial assets recognised at fair value

[409] Pursuant to IAS 12, taxes on income also include those relating to the tax laws that implement the Global Minimum Tax.
[410] With respect to deferred taxation, it is noted that, under IAS 12, deferred tax assets and liabilities relating to taxes on income under the so-called Global Minimum Tax are not to be recognised or disclosed.

through other comprehensive income or of cash flow hedge derivative contracts), the balancing entry is made in shareholders' equity, under specific reserves where so provided (e.g. valuation reserves).
No provision is made for reserves subject to latent taxation only in the event of distribution, since the size of the available reserves which have already been taxed leads to the belief that no transactions will be undertaken which may cause taxation of the untaxed reserves.
Deferred tax liabilities referred to Italian companies included in the fiscal consolidation are reported in their financial statements, in application of the accrual basis principle and in consideration of the fact that the effects of fiscal consolidation are limited to the settlement of current tax positions.

11. Allowances for risks and charges

Allowances for risks and charges for commitments and guarantees given
This sub-caption of the allowances for risks and charges contains the allowances for credit risk recognised for loan commitments and guarantees given that come under the scope of the IFRS 9 impairment rules. For these cases, in general, the methods described for financial assets measured at amortised cost or at fair value through other comprehensive income are adopted for the assignment to the three credit risk stages and the calculation of the expected credit loss.
This aggregate also includes allowances for risks and charges made to cover other types of commitments and guarantees given that, due to their specific characteristics, do not fall under the scope of impairment pursuant to IFRS 9.

Post-employment benefits
Company post-employment benefits are based on agreements and qualify as defined benefit plans. Liabilities related to such plans and the relative cost of current service are determined on the basis of actuarial assumptions based on the Projected Unit Credit Method. This method sets out that future obligations are forecast using past time-series analyses and the demographic curve and that such future cash flows are discounted based on a market interest rate. The provisions made in each year of service are considered separately and give rise to an additional unit of benefit entitlement for the purposes of the final obligation. The discounting rate is determined on the basis of market returns, surveyed as at the date of measurement, on high-quality corporate bonds, taking account of the residual average life of the liability. The present value of the liability at the reporting date is also adjusted by the fair value of any plan assets.

Actuarial profits and losses (namely the changes in the current value of the obligation resulting from changes in the actuarial assumptions and adjustments based on past experience) are recognised in the statement of comprehensive income.

Other allowances
Other allowances for risks and charges record provisions related to legal obligations or connected to labour relationships or to litigations, also of a fiscal nature, originating from a past event for which a disbursement will probably arise to settle the obligations, provided that the amount of the disbursement may be estimated reliably.
Consequently, a provision is recognised when, and only when:
– there is a present obligation (legal or constructive) as a result of a past event;
– it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
– a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date and takes into account the risks and uncertainties that inevitably surround many events and circumstances. Where time value is significant, provisions are discounted using current market rates. Provisions and increases due to time value are recorded in the income statement.

If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation or when the obligation is settled, the provision should be reversed.

The caption also includes long-term benefits to employees, whose charges are determined with the same actuarial criteria described for post-employment benefits. Actuarial profits and losses are all immediately recognised in the income statement.

12. Financial liabilities measured at amortised cost

Classification criteria
Amounts Due to banks, Due to customers and Securities issued include various forms of funding on the interbank market and with customers, repurchase agreements with commitment to repurchase and funding via certificates of deposit, bonds issued and other funding instruments in circulation, net of any amounts repurchased.
It also includes the payables recorded by the Bank in the capacity of lessee in lease transactions.

Recognition criteria
Initial recognition of these financial liabilities occurs at the date of subscription of the contract, which usually coincides with the time of collection of the sums deposited or the issue of debt securities.
Initial recognition is based on the fair value of the liabilities, normally equal to the amount collected or the issue price, increased by any additional charges/revenues directly attributable to the single funding or issuing transaction. Internal administrative costs are excluded.
Lease payables are recognised at the present value of the future lease payments, discounted using the implicit interest rate of the transaction or, where it cannot be determined, the marginal financing rate.

Measurement criteria
After initial recognition, financial liabilities are measured at amortised cost with the effective interest method.
An exception is made for short-term liabilities, where time value is immaterial, which are stated at collected amount.
Lease payables are remeasured when there is a lease modification (e.g. a change in the contract which is not accounted for/considered as a separate contract); the effect of the remeasurement will be a corresponding adjustment to the right-of-use asset.

Derecognition criteria
Financial liabilities are derecognised from the balance sheet when they have expired or extinguished. Derecognition also occurs for repurchase of previously-issued bonds. The difference between book value of the liability and amount paid for repurchase is recorded in the income statement.
Placement of own securities, after their repurchase, is considered a new issue with recognition at the new placement price.

13. Financial liabilities held for trading

Recognition criteria
These financial instruments are recognised at the subscription or issue date at the fair value of the instrument, without taking into account directly attributable transaction costs or revenues.
This liability category includes, in particular, the negative fair value of trading derivatives, as well as embedded derivatives with a negative fair value separated from liabilities measured at amortised cost.
It also includes liabilities determined by short selling generated by trading of securities and certificates forming part of the trading business model.

Measurement criteria
All financial liabilities held for trading are measured at fair value through profit or loss.

Derecognition criteria
Financial liabilities held for trading are derecognised when the contractual rights to the related cash flows expire or when the financial liability is disposed of with the substantial transfer of all the risks and rewards connected to it.

14. Financial liabilities designated at fair value

Classification criteria
Financial liabilities designated at fair value are recorded under this caption, on the basis of the fair value option given to companies by IFRS 9 and in compliance with the cases contemplated in the reference regulations.

This category of liabilities also includes certificates included in the banking book business model.

Recognition criteria
These liabilities are recorded at fair value as at the date of issue, including the value of any embedded derivatives, net of placement fees paid.

Measurement criteria
These liabilities are measured at fair value according to the following rules established by IFRS 9:
– changes in fair value attributable to changes in own credit risk must be recognised in the statement of comprehensive income (shareholders' equity);
– the remaining changes in fair value must be recognised in the income statement.

The amounts recognised in the statement of comprehensive income are not subsequently recycled to the income statement. This method of accounting must not be applied when recognition of the effects of own credit risk on shareholders' equity results in or accentuates an accounting mismatch in the income statement. In this case, gains and losses associated with the liability, including those resulting from changes in own credit risk, must be recognised in the income statement.

Derecognition criteria
The financial liabilities designated at fair value are derecognised when the contractual rights to the related cash flows expire or when the financial liability is disposed with the substantial transfer of all the risks and rewards connected to it.

15. Foreign currency transactions

Definition
The foreign currency is a currency that is not the functional currency of the entity, which is in turn the currency of the primary economic environment in which the entity operates.

Initial recognition
Foreign currency transactions are recorded, on initial recognition, in the functional currency, by applying to the foreign currency amount the spot exchange rate at the date of the transaction.

Subsequent measurement
At every close of annual or interim financial statements, captions in foreign currency are measured as follows:
– foreign currency monetary items are translated using the closing rate;
– non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction;
– non-monetary items that are measured at fair value in a foreign currency are translated using the closing rates.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised through profit or loss in the period in which they arise.
When a gain or loss on a non-monetary item is recognised directly in equity, any exchange component of that gain or loss is recognised directly in equity. Conversely, when a gain or loss on a non-monetary item is recognised through profit or loss, any exchange component of that gain or loss is recognised through profit or loss.

16. Other information

Own shares
Any own shares held are directly deducted from equity. Similarly, their original cost and the profits or losses deriving from their subsequent sale are recorded in equity.

Accruals, prepayments and deferrals
Accruals, prepayments and deferrals for the year that include income and charges for the year, accrued on assets and liabilities, are shown in the financial statements as an increase or decrease of the assets and liabilities to which they are related.

Leasehold improvements
The costs sustained for restructuring property belonging to third parties are capitalised in consideration of the fact that for the duration of the rental contract the using company has control of the assets and may receive their future economic benefits. These costs, recorded in Other assets as provided for by the instructions of the Bank of Italy, are amortised over a period which must not exceed the duration of the rental contract.

Employee termination indemnities
Employee termination indemnities qualify as a "post-employment benefit" classified as:
– a "defined contribution plan" to the extent of the portions accruing from 1 January 2007 (the date the reform of the supplementary pension schemes came into force pursuant to Legislative Decree 252 of 5 December 2005) when the employee opted for the complementary pension scheme or decided to allocate such portions to the INPS (the Italian Social Security Institute) Treasury fund. Therefore, the amounts, recorded under personnel expenses, are determined on the basis of amounts due without the application of actuarial calculation;
– a "defined benefit plan" to the extent of the portions of employee termination indemnities accrued until 31 December 2006. These amounts are recognised at their actuarial value determined using the "Projected Unit Credit Method", without applying the pro-rata of the service rendered. Indeed, the current service cost of employee termination indemnities is almost entirely accrued and its revaluation in the years to come is not expected to generate significant benefits for employees.

For the purposes of discounting, the rate used is the market yield of high-quality corporate bonds taking into account the average remaining life of the liability, weighted based on the percentage amount paid and advanced, for each maturity, with respect to the total to be paid and advanced until the expiry of the entire obligation.
The plan's costs are recorded under personnel expenses, while actuarial profits and losses are recognised in the statement of comprehensive income.

Share-based payments
Share-based payments are recorded in the income statement, with a corresponding increase in shareholders' equity, on the basis of the fair value of financial instruments attributed at assignment date, dividing the charge over the period set forth by the plan.
In the case of options, the fair value is calculated using a model which considers, in addition to information such as strike price and expiry date of the option, spot price of the shares and their expected volatility, expected dividends and the risk-free interest

rate, as well as the specific characteristics of the plan. The pricing model values the option and the probability of realisation of the condition on the basis of which the options have been assigned.
The combination of the two values supplies the fair value of the assigned instrument.
Any decrease in the number of financial instruments granted is accounted for as a cancellation of such instruments.

Employee benefits

Employee benefits are defined as all forms of consideration given by an entity in exchange for service rendered by employees.
Employee benefits are divided into:

– short-term benefits (other than termination benefits or equity compensation benefits) that are expected to be paid in full within twelve months after the end of the period in which the employees render the related service and recognised in full through profit or loss when they become due (this category includes, for example, wages, salaries and "extraordinary" benefits);
– post-employment benefits payable after the conclusion of employment that require the entity to provide future benefits to employees. These include employee termination indemnities and pension funds, which are in turn divided into defined contribution plans and defined benefit plans or company pension funds;
– termination benefits, i.e. compensation that the company recognises to the staff members upon termination of the employment agreement, following the company's decision to terminate the employment relationship prior to the normal retirement date;
– long-term benefits, other than those above, that are not expected to be paid in full within twelve months after the end of the period in which the employee rendered their service.

Offsetting of financial instruments

According to IAS 32, paragraph 42, financial assets and financial liabilities are offset and the net amount presented in the financial statements when an entity:

– has a legal enforceable right of set off which is currently exercisable in all circumstances, both in the ordinary course of business or in the event of default, insolvency or bankruptcy of the parties;
– intends to settle the transactions on a net basis or on a gross settlement basis whose substantive effects are equivalent to a net settlement.

For derivative instruments covered by netting agreements that meet the above requirements, Bank of Italy Circular 262 also requires the offsetting to be performed between trading and hedging derivatives, with the mismatches to be presented on a net basis. The net balance is usually allocated to the trading book rather than to the hedging derivatives, based on the actual amount of the mismatch between trading and hedging derivatives.
In compliance with the requirements of IFRS 7, more detailed information is provided in the tables contained in Part B – Other information of these Notes to the financial statements, which present the following:

– the carrying amounts of assets and liabilities that meet the requirements of IAS 32, paragraph 42, before and after offsetting;
– the exposures subject to master netting agreements that have not been offset but have the potential to be offset following specific circumstances;
– the collateral associated with them.

Tax credits related to the "Cura Italia" and "Rilancio" Decree Laws acquired as a result of transfer by direct beneficiaries or previous purchasers (e.g. ecobonus)

Decree Laws no. 18/2020 ("Cura Italia" Decree) and no. 34/2020 ("Rilancio" Decree) introduced tax incentives related to both investment expenditure (e.g. ecobonus and seismic bonus) and current expenditure (e.g. rents for non-residential premises).The government once again intervened on the issue through Decree Law no. 50/2022 ("Decreto Aiuti"), mainly by remodulating the base of potential re-assignees through Decree Law no. 11/2023 which prohibits, although with certain exceptions, the possibility of opting, instead of directly using the deduction, for the discount on invoices or transfer of credit and, finally, through Decree Law no. 39/2024 which mainly refers to qualified parties (financial intermediaries and insurance companies) and limits the possibility of netting social security against contribution liabilities.
These tax incentives apply to households or businesses, are linked to a percentage of the expenditure incurred (in some cases up to 110%) and are granted in the form of tax credits or tax deductions (with option for conversion into tax credits). The main features of these tax credits are: i) the possibility of using them for offsetting; ii) their transferability to third-party purchasers; and iii) their non-refundability by the Treasury.
The accounting for tax credits acquired from a third party (transferee of the tax credit) is not covered by a specific international accounting standard. IAS 8 requires, in cases where there is a circumstance not explicitly addressed by an IAS/IFRS accounting standard, that management develop an accounting policy to ensure relevant and reliable disclosure of such transactions.
To this end, Intesa Sanpaolo, in view of the guidance provided by the Authorities, in the document "Accounting treatment of tax credits connected with the 'Cura Italia' and 'Rilancio' Decree Laws acquired following the assignment by the direct beneficiaries or previous purchasers" published on 5 January 2021 by the Coordination Committee between the Bank of Italy, Consob and IVASS concerning the application of IAS/IFRS has adopted an accounting policy that refers to the accounting rules established by IFRS 9, applying the provisions that are consistent with the characteristics of the transaction.
The Bank attributes:

– to a Hold to Collect business model the loans that are acquired within the limits of its tax capacity, with the objective of holding and using them for future offsetting. Those loans are recognised at amortised cost, representing the remuneration of net interest income over the time frame of recovery;
– to a Hold to Collect and Sell business model the loans that are acquired within the limits of its tax capacity, which may be further reassigned. Those credits are measured at fair value through other comprehensive income. Given the particular nature of these instruments, their fair value fluctuations are linked to the changes in interest rates. The profitability is recognised on a pro-rata basis under net interest income in the income statement;
– to an Other business model, the loans acquired for trading, e.g., in the event of purchases above its tax capacity and the signing of related reassignment agreements. Those loans are measured at fair value through profit or loss. Their fair value

fluctuations are linked to the changes in interest rates. The profitability is recognised on a pro-rata basis under net interest income in the income statement.

In all the above cases, the initial recognition value matches the fair value at the date of purchase. Therefore, no day-one profit/loss is recognised.

The accounting framework set out in IFRS 9 for calculating expected credit losses is not deemed applicable to this specific case. The ECL (Expected Credit Loss) need not be calculated on these tax credits, as no refund is expected from the tax authorities, as the extinction of the instrument is linked to the offsetting of the bearer's tax payables. Moreover, in cases where reassignment is planned, the sale will be finalised by collecting the price of the instrument, without recognising a receivable due from the assignee.

Lastly, considering the operating methods implemented by the Bank, the risk of non-use of the tax credits, i.e. the risk that the Bank lacks the tax capacity to achieve the benefits associated with the asset, can be reasonably deemed as inexistent. Specifically:

– with regard to the Hold to Collect and Hold to Collect and Sell business models, the amounts acquired are consistent with the overall tax capacity, so that the Bank can offset its payables;
– with regard to the Other business model, for the loans acquired, reassignment agreements were gradually entered into for excess volumes, binding on the customer, with multiple counterparties, whose tax capacity is verified in advance.

As specified in the joint document from the Authorities, as mentioned above, given that the purchased tax credits do not qualify as tax assets, public subsidies, intangible assets or financial assets under the international accounting standards, the most appropriate classification, for their presentation in the financial statements, is the residual classification under Other Assets in the balance sheet.

Treatment of Irrevocable Payment Commitments (IPC) with the Single Resolution Fund (SRF)

Starting from 2016, the banks from all Eurozone countries joined the Single Resolution Mechanism (SRM) under which the Single Resolution Fund (SRF) was established with the aim of having adequate resources to be used in the event of banking crises. The relevant legislation establishes that the initial target level of the fund - to be achieved over 8 years (2016-2023) - is equal to at least 1% of the covered deposits of all credit institution authorised in the banking union. The contribution, which is determined annually by the Single Resolution Board (SRB) and communicated to the member banks, may be paid in cash and, in part, by entering into Irrevocable Payment Commitments (IPCs), not exceeding 30% of the total contribution and fully backed by collateral of low-risk assets. The use of irrevocable payment commitments is at the discretion of each bank. Intesa Sanpaolo decided to use IPCs - against which off-balance sheet commitments have been recognised - by paying, in this respect, cash collateral in the same amount as a deposit, which is remunerated on the basis of the applicable contractual conditions and consistently applied to all European banks that use the IPC mechanism.

The off-balance sheet commitment - which, for prudential purposes, is fully deducted from CET1 in accordance with the ECB provisions covering the SREP measure - is assessed at each reporting date and/or whenever there is evidence indicating that its enforcement is probable. In this respect, the Bank has activated a specific monitoring mechanism, with the support of a leading research company, in order to verify the absence of critical indicators in member banks that would deem SRF intervention probable and therefore the recall of the IPC. Based on the analyses performed, the risk that the IPCs be called as at 31 December 2025 is deemed remote.

Furthermore, since its establishment in 2016, the Single Resolution Fund has never called the IPCs entered into by the banks, as it did not take any action that involved the use of the funds raised.

Finally, in relation to the contributions requested in the 2016-2023 period, IPCs were entered into by the Parent Company for a total of 367 million euro, against which the Bank set up the cash collateral recognised under Financial assets measured at amortised cost. Since 2024, having achieved the minimum capacity envisaged by Regulation (EU) 806/2014, the SRB has not requested any further contributions.

Recognition of revenues and costs

Revenues are gross flows of economic benefits deriving from the performance of the company's ordinary business and are recognised when control of the goods or services is transferred to the customer, at an amount that represents the amount of consideration that the company considers it is entitled to. In particular, revenues are recognised by applying a model that must meet the following criteria:

– identification of the contract, defined as an agreement in which the parties are committed to perform their respective obligations;
– identification of the individual performance obligations contained in the contract;
– determination of the transaction price, i.e. the expected consideration for the transfer of the goods or services to the customer;
– allocation of the transaction price to each performance obligation, based on the sale prices of the individual obligation;
– recognition of revenues when (or as) the performance obligation is satisfied by transferring a promised good or service to a customer.

The transaction price is the amount to which an entity expects to be entitled in exchange for the transfer of goods and services promised. It may include fixed or variable amounts or both. Revenues from variable fees are recognised in the income statement if they can be reliably estimated and only if it is highly likely that all or a significant part of this fee will not need to be reversed from the income statement in future periods. Where there is a high level of uncertainty related to the nature of the consideration, it will be recognised only when this uncertainty is resolved.

Revenues may be recognised:

– at a specific point in time, when the entity satisfies a performance obligation by transferring a promised good or service to the customer, or
– over time, as the entity satisfies a performance obligation by transferring a promised good or service to the customer.

The good is transferred when, or in the period when, the customer acquires control of the good.

In particular:

– interest is recognised on accrual on the basis of the contractual interest rate or the effective interest rate in the case of application of amortised cost. Interest income (or interest expense) includes differentials and positive (or negative) margins accrued up to the reporting date, relating to financial derivatives:
  - hedging interest-generating assets and liabilities;
  - classified in the balance sheet in the trading book, though related to financial assets and/or liabilities designated at fair value through profit or loss (fair value option) in management terms;
  - related in management terms to assets and/or liabilities classified in the trading book and providing for the settlement of differentials or margins with different maturities;
– overdue interest, which may be provided for by the relevant contracts is recorded in the income statement solely at the time of collection;
– dividends are posted in the income statement when their distribution is approved, unless this date is not known or the information is not immediately available, in which case they may be recognised when they are collected;
– commission income from services is recorded, on the basis of the existence of contractual agreements, in the period in which the services have been rendered. Commission income included in the amortised cost for the purposes of determining the effective interest rate is recognised under interest;
– profits and losses from securities trading are recognised in the income statement at the date of sale, on the basis of the difference between the consideration paid or collected and the carrying value of such instruments;
– revenues deriving from the sale of non-financial assets are recorded at the date of sale, or when the performance obligation towards the customer is satisfied.

Costs are recognised in the income statement on an accruals basis. Costs relating to the receipt and performance of contracts with customers are recognised in the income statement in the periods when the related revenues are recognised.

Use of estimates and assumptions in preparing financial reports

The preparation of financial reports requires the use of estimates and assumptions that may have a significant effect on the amounts stated in the balance sheet and income statement, and on the contingent assets and liabilities reported in the financial statements. Estimates are based on available information and subjective evaluations, also founded on past experience, which are used to formulate reasonable assumptions in measuring operating events. Given their nature, the estimates and assumptions used may vary from year to year, and hence it cannot be excluded that current amounts carried in the financial statements may differ significantly in future financial years as a result of changes in the subjective evaluations made.
If there are greater uncertainties and/or the assets being measured are particularly material, the valuation is supported by specific fairness opinions from external appraisers/experts.

The main cases for which subjective evaluations are required to be made by corporate management include:
– the measurement of impairment losses on loans, investments, and, generally, other financial assets;
– the use of measurement models for determining the fair value of financial instruments not listed on active markets;
– the evaluation of the appropriateness of amounts stated for goodwill and other intangible assets;
– the fair value measurement of real estate and valuable art assets;
– the measurement of personnel funds and allowances for risks and charges;
– the estimates and assumptions on the collectability of deferred tax assets.

For some of the types listed above, the main factors subject to estimates by the Bank and which determine the carrying value of assets and liabilities in the financial statements can be identified. The following are noted, by way of example:
– to determine the fair value of financial instruments not listed on active markets, if the use of parameters that cannot be obtained from the market is necessary, the main estimates regard, on one hand, development of future cash flows (or even income flows, in the case of equities), possibly conditional on future events and, on the other, the level of specific input parameters not listed on active markets;
– the estimates for the assignment of loans and debt securities classified as Financial assets measured at amortised cost and Financial assets measured at fair value through other comprehensive income to the three credit risk stages required by IFRS 9 and to calculate the related expected credit losses involve:
  o the determination, where applicable, of the parameters for a significant increase in credit risk, essentially based on models for measuring the probability of default (PD) upon origination of the financial assets and at the reporting date;
  o the inclusion of forward-looking factors, including macroeconomic factors, for the determination of the PD and LGD (Loss Given Default);
  o the determination of the likelihood of sale of impaired financial assets, through the realisation of market positions;
– to determine the future cash flow estimates from non-performing loans, a number of items are considered: the expected recovery times, the presumed realisable value of guarantees and the costs to be sustained for the recovery of credit exposure;
– to determine the value in use of intangible assets with an indefinite life (brand name and goodwill) with regard to the Cash-Generating Units (CGU) comprising Intesa Sanpaolo, the future cash flows in the forecasting period of the analysis and the flows used to determine the terminal value, generated by the CGU, are subject to estimate, separately and appropriately discounted. Also the cost of capital is among the items subject to estimate;
– to determine the value in use of intangible assets with a finite life (asset management and insurance portfolios) with regard to the CGUs comprising Intesa Sanpaolo, the useful life is subject to estimate, on the one hand, as well as the future cash flows arising from the asset, on the other. The cost of capital is subject to estimate in the case of intangible assets with a finite life as well;
– the fair value measurement of real estate and valuable art assets is based on valuations prepared by qualified independent firms. Lease rentals, selling prices, discount rates and capitalisation rates are estimated in order to conduct the appraisals of the properties, while to conduct the appraisals on the valuable art assets, the estimate of the value is gathered from the performance of the exchanges of similar works (in terms of technique, size, subject) by the same author or regional movements and schools that are close with regard to style and technique;
– to measure post-employment benefits, the present value of the obligations is subject to estimate, taking into account the flows, appropriately discounted, arising from past time-series analyses and the demographic curve;
– to measure allowances for risks and charges, the amount of outflows necessary to fulfil the obligations is estimated, where possible, taking into account the effective probability of having to utilise resources;
– to determine the value of deferred tax items, the likelihood of an effective future tax burden is estimated (taxable temporary differences) and the level of reasonable certainty – if it exists – of future taxable amounts at the time when the tax deductibility occurs (deductible temporary differences and tax losses carried forward).

Considering that subjective evaluations are also used by management, inter alia, to estimate the useful life of property, equipment and intangible assets subject to the periodic amortisation process, such as owner-occupied properties and software subject to valuation by Intesa Sanpaolo, respectively, according to the revaluation model and at cost, the following should be noted in relation to these assets:
– −with respect to owner-occupied properties, in accordance with internal rules and the IAS/IFRS, the Bank periodically checks the adequacy of the useful life of these assets, also considering the close relationship between the useful life of an asset and the extent of the upgrading and modernisation work aimed at preserving quality and functional levels in line with market standards;
– with respect to software, in the current digital environment, IT resources are becoming an increasingly strategic asset, including in the banking industry, to support corporate business development. Consequently, the investments in digital solutions and/or innovative and transformative information technology systems have become increasingly important in quantitative terms. Based on the above and in line with internal policies and the IAS/IFRS, the estimated useful life of the company's software applications was revised. As a result of the recent investments made in new functionalities and innovative technological developments, some software applications met the conditions for the revision of their useful life which led to the recognition of a positive impact of approximately 74 million euro generated by lower amortisation on the 2025 income statement under "Net adjustments to/recoveries on intangible assets".

The classification drivers for financial assets

The classification of the financial assets into the three categories established by the standard depends on two classification drivers: the business model used to manage the financial instruments and the contractual cash flow characteristics of the financial assets (or SPPI Test).

The classification of the financial assets derives from the combined effect of the two drivers mentioned above, as described below:

– Financial assets measured at amortised cost: assets that pass the SPPI test and come under the Hold to Collect (HTC) business model;
– Financial assets measured at fair value through other comprehensive income (FVOCI): assets that pass the SPPI test and come under the Hold to Collect and Sell (HTCS) business model;
– Financial assets measured at fair value through profit or loss (FVTPL): this is a residual category, which includes financial instruments that cannot be classified in the previous categories based on the results of the business model test or the test of the contractual cash flow characteristics (SPPI test not passed).

SPPI test

For a financial asset to be classified as at amortised cost or at FVOCI – in addition to the analysis of the business model – the contractual terms of the asset must also provide, on specified dates, for cash flows that are solely payments of principal and interest (SPPI). This analysis must be carried out for loans and debt securities in particular.

The SPPI test must be carried out on each individual financial instrument at the time of recognition in the balance sheet. After initial recognition, and as long as it is recognised in the balance sheet, the asset is no longer subject to new assessment for the purposes of the SPPI test. If a financial instrument is derecognised and a new financial asset is recognised, the SPPI test must be performed on the new asset.

For the application of the SPPI test, IFRS 9 provides the following definitions:

– Principal: this is the fair value of the financial asset at initial recognition. This value may change over the life of the financial instrument, for example as a result of repayments of part of the principal;
– Interest: this is the consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time. It can also include consideration for other basic lending risks and costs and a profit margin.

In assessing whether the contractual flows of a financial asset can be defined as SPPI, IFRS 9 refers to the general concept of a 'basic lending arrangement', which is independent of the legal form of the asset. When contract terms introduce exposure to risks or volatility in the contractual cash flows that is inconsistent with the definition of a basic lending arrangement, such as exposure to changes in share or commodity prices, the contractual cash flows do not meet the definition of SPPI. The application of the classification driver based on contractual cash flows sometimes requires a subjective judgement and, consequently, the establishment of internal application policies.

In cases of modified time value of money – for example, when the interest rate of the financial asset is recalculated periodically, but the frequency of the recalculation or the frequency of payment of the coupons does not reflect the nature of the interest rate (such as when the interest rate is recalculated monthly on the basis of a one-year rate) or when the interest rate is recalculated regularly on the basis of an average of particular short or medium-to-long term rates – an entity should assess, using both quantitative and qualitative information, whether the contractual cash flows still meet the definition of SPPI (benchmark cash flows test). If the test shows that the (undiscounted) contractual cash flows are "significantly different" from the (also undiscounted) cash flows of a benchmark instrument (i.e. without the modified time value element), the contractual cash flows cannot be considered to meet the definition of SPPI.

The standard requires specific analyses ("look through test") to be performed and these are therefore also conducted on multiple contractually linked instruments (CLIs) that create concentrations of credit risk for debt repayment and on non-recourse assets, for example in cases where the loan can only be enforced on specified assets of the debtor or on the cash flows from specified assets.

The presence of contractual clauses that may change the frequency or amount of the contractual cash flows must also be considered to determine whether those cash flows meet the requirements to be considered as SPPIs (e.g. prepayment options, the possibility of deferring contractually agreed cash flows, embedded derivative instruments, subordinated instruments, etc.).

However, as envisaged by IFRS 9, a contractual cash flow characteristic does not affect the classification of the financial asset if it could have only a de minimis effect on the contractual cash flows of the financial asset (in each year and cumulatively). Similarly, if a cash flow characteristic is not genuine, i.e. if it affects the instrument's contractual cash flows only on the occurrence of an event that is extremely rare, highly abnormal and very unlikely to occur, it does not affect the classification of the financial asset.

For operations in debt securities, Intesa Sanpaolo uses the services offered by well-known info-providers for the performance of the SPPI Tests. This choice, on one hand, provides front office staff who deal in securities with an immediate result for the performance of the test, enabling the streamlining of purchasing processes, and, on the other hand, provides access to market approaches shared by numerous operators and audit firms. Only in cases where the securities are not managed by info-providers, the test is carried out manually using a proprietary tool based on an internally developed methodology (decision-making trees).

A proprietary tool based on an internally developed methodology (decision-making trees) has also been developed for carrying out the SPPI test for the lending processes. In particular, given the significant differences in characteristics, the procedure differs between products related to a contractual standard (typically the retail loan portfolio) and tailor-made loans (typically the corporate loan portfolio).
For standard products, the SPPI test is carried out during the structuring of the contractual standard, through the "New Product Coordination" process, and the result of the test is applied to all the individual relationships related to the same catalogue product. For tailor-made products, on the other hand, the SPPI test is carried out for each new credit line/relationship submitted to the decision-making body through the use of the proprietary tool.

The decision-making trees – included in the proprietary tool – have been produced internally (both for debt securities and loans) and capture the possible non-SPPI compliant characteristics. They take account of the instructions provided by IFRS 9, as well as the interpretations of the standard made by Intesa Sanpaolo. The trees are used both for the implementation of the rules of the proprietary tool and for the verification and validation of the methodology adopted by the info-providers.

Business model
With regard to the business models, IFRS 9 identifies three cases relating to the way in which cash flows and sales of financial assets are managed:
– Hold to Collect (HTC): this is a business model whose objective is achieved by collecting the contractual cash flows of the financial assets included in the portfolios associated to it. The inclusion of the portfolio of financial assets in this business model does not necessarily result in the inability to sell the instruments, but the frequency, value and timing of sales in prior periods, the reasons for the sales, and the expectations about future sales, need to be considered;
– Hold to Collect and Sell (HTCS): this is a mixed business model whose objective is achieved by collecting the contractual cash flows of the financial assets in portfolio and (also) through the sale of the financial assets, which is an integral part of the strategy. Both activities (collection of contractual flows and sale) are indispensable for achieving the business model's objective. Accordingly, sales are more frequent and significant than for an HTC business model and are an integral part of the strategies pursued;
– Other/Trading: this is a residual category that includes both financial assets held for trading and financial assets managed with a business model that does not come under the previous categories (Hold to Collect and Hold to Collect and Sell). In general, this classification applies to a portfolio of financial assets whose management and performance are measured based on fair value.

The business model reflects the way in which financial assets are managed to generate cash flows for the benefit of the entity and is defined by top management with the appropriate involvement of the business structures. It is observed by considering the way in which financial assets are managed and, as a consequence, the extent to which the portfolio's cash flows derive from the collection of contractual flows, from the sale of the financial assets, or from both. This assessment is not performed on the basis of scenarios that the entity does not reasonably expect to occur, such as 'worst case' or 'stress case' scenarios. For example, if an entity expects that it will sell a particular portfolio of financial assets only in a stress case scenario, that scenario does not affect the entity's assessment of the business model for those assets if the entity reasonably expects that such a scenario will not occur.

The business model does not depend on management's intentions regarding an individual financial instrument, but refers to the way in which groups of financial assets are managed in order to achieve a specific business objective.

In summary, the business model:
– reflects the way in which financial assets are managed to generate cash flows;
– is defined by top management, with the appropriate involvement of the business structures;
– must be observable by considering the way the financial assets are managed.

In operational terms, the assessment of the business model is carried out in line with the company's organisation, the specialisation of the business functions, the risk cascading model, and the assignment of delegated powers (limits). All relevant factors available at the date of the assessment are used in the assessment of the business model. The above information includes the strategy, the risks and their management, the remuneration policies, the reporting, and the amount of the sales. In the analysis of the business model, the elements investigated must be consistent with each other and, in particular, must be consistent with the strategy pursued. Evidence of activities not in line with the strategy must be analysed and duly justified.
In this regard, and in relation to the business models under which the financial assets are held, a specific set of "Business Model Rules" (approved by the competent levels of governance) has been drafted for the Parent Company and Banking Group Companies. It defines and sets out the components of the business model in relation to the financial assets included in the portfolios managed as part of the operations of Intesa Sanpaolo's business structures. In further detail, the mapping of the business model adopted by the various structures through which the Bank operates, with regard to both loans and receivables and debt securities, takes account of the structure of the division model and the Corporate Centre; this structure has been identified as the relevant level for formulating and representing the various business models applied by Intesa Sanpaolo's risk-taking centres.

Within the Chief Risk Officer Governance Area, the Market & Financial Risk Management of the Bank provides high-level supervision of the procedure required for determining the business model within which a given set of assets is held and verifies the need for any updates (to be incorporated, at least annually, in the Business Model Rules document).

Monitoring of the business model

The monitoring of the reference business model of the various structures through which the Intesa Sanpaolo operates is performed by the Market & Financial Risk Management, which uses indicators intended to verify the consistency of the declared strategy with that pursued within the business models; these indicators, differentiated for the various business models, have been developed in accordance with IFRS 9 and corporate rules and procedures.

For the Hold to Collect portfolios, Intesa Sanpaolo has set limits for frequent but not significant sales to be considered eligible (individually or in aggregate), or for infrequent sales even if their amount is significant, and the parameters have also been established for identifying sales as being consistent with that business model because they relate to an increase in credit risk or for securities nearing maturity.
More specifically, within an HTC business model, sales are allowed:

– in the event of an increase in credit risk, i.e., if the exposure deteriorates or moves to stage 2 in accordance with the impairment rules under IFRS 9;
– for securities nearing maturity (i.e., according to the Group rules, in the 6 months preceding maturity), provided that the amount collected is close to the current value of the remaining contractual flows;
– when they are frequent but not significant in terms of value or occasional even if significant in terms of value, subject to authorisation assessment by the competent Control bodies. In order to determine these aspects, thresholds of frequency and significance have been set:
    - frequency is defined as the percentage ratio between the number of positions sold over the year and the number of portfolio positions at the beginning of the period considered;
    - significance is defined as the percentage ratio between the nominal value of the sales during the current year and the nominal value of the instruments held in the portfolio at the beginning of the period considered.

With regard to the determination of the "Risks" and the "Reporting" for the HTCS and Trading business models, the provisions of the RAF and Market Risk Charter and of internal policies in the area of market risk controls apply in principle, and measures are concurrently established for monitoring the consistency of the HTCS and Other/Trading business models.

With regard to the HTCS business model, IFRS 9 does not provide for the need for limits on the frequency or the value of the sales. However, Intesa Sanpaolo has established indicators for debt securities only in order to ensure that they are properly assigned to the chosen business model over time. These indicators are:

– The holding period, which measures the time for which a certain instrument has been held in portfolio;
– Turnover rate, which measures the speed with which positions in portfolio turn over during a predefined period of time.

Within the framework of the monitoring of the indicators set out above, limits and early-warning thresholds apply according to the overall strategies pursued by the HTCS portfolio.

Finally, with regard to debt or equity securities held for trading, a measure of the consistency of inclusion in the chosen business model applies, represented by the indicator of "expected average permanence" (so-called Vintage) which measures the observed holding period of all securities in portfolio.

The monitoring measures relating to the various business models are subject to regular reporting through technical committees.

Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition net of any principal repayments, plus or minus cumulative amortisation, calculated using the effective interest rate method, of any difference between initial amount and amount at maturity and net of any reduction for impairment.

The effective interest rate is the rate that exactly discounts future cash payments or receipts through the expected life of the financial instrument or through the subsequent date for recalculation of the price to the present value of the financial asset or financial liability. In the calculation of the present value, the effective interest rate is applied to the flow of future cash receipts or payments through the entire useful life of the financial asset or liability or for a shorter period when certain conditions recur (for example review of market interest rates).

After initial recognition, amortised cost enables allocation of revenues and costs directly by decreasing or increasing the value of the instrument over its entire expected life via the amortisation process. The determination of amortised cost is different depending on the fact that financial assets/liabilities have fixed or floating rates and – in this last case – if the volatility of the rate is known or not beforehand. For instruments with fixed rate or fixed rate by time bands, future cash flows are quantified on the basis of the known interest rate (sole or floating) over the life of the loan. For financial assets/liabilities with a floating rate, for which the volatility is not known beforehand (for example because it is linked to an index), the determination of cash flows is carried out based on the last rate available. At every revision of the interest rate, the amortisation plan and the effective interest rate for the entire life of the investment, that is, until maturity, are recalculated. Any changes are recorded in the income statement as income or loss.

Measurement at amortised cost is applied for the financial assets measured at amortised cost and for the financial assets measured at fair value through other comprehensive income, as well as the financial liabilities measured at amortised cost.
Financial assets and liabilities traded at market conditions are initially recognised at fair value, which normally corresponds to the amount disbursed or paid including, for instruments measured at amortised cost, transaction costs and any directly attributable fees.
Transaction costs include internal or external marginal costs and income attributable to the issue, the acquisition or the disposal of a financial instrument which are not debited to the customer. These commissions, which must be directly attributable to the single financial asset or liability, modify the original effective return, thereby the effective interest rate associated to the transaction differs from contractual interest rate. Transaction costs do not include costs/income referred to more than one

transaction and the components related to events which may occur during the life of the financial instrument, but which are not certain at the time of the initial agreement, such as for example: commissions for retrocession, for non-use, for advance termination. Furthermore, amortised cost does not include costs which would be sustained independently from the transaction (e.g. administrative and communication costs, stationery expenses), those, which though directly attributable to the transaction are part of standard practice for the management of the financing (e.g. activities related to the loan granting process), as well as commissions for services received following structured finance activities which would in any case have been received independently from the subsequent financing of the transaction (e.g. facility and arrangement fees).
With reference to loans, the following costs are considered directly attributable to the financial instrument: fees paid to distribution networks, fees paid for the origination and/or the participation in syndicated loans and lastly, up-front fees correlated to loans disbursed at rates exceeding market rates. Income considered in the calculation of amortised cost includes: up-front fees correlated to loans disbursed at rates below market rates, income for the participation in syndicated loans and brokerage commissions received.
For debt securities not measured at fair value through profit or loss, the following are considered transaction costs: commissions on contracts with brokers operating on the Italian stock exchange, commissions paid to dealers operating on the Italian and foreign stock and bond markets defined on the basis of the commission tables. Stamp duty is not considered in amortised cost since immaterial.
Regarding securities issued, amortised cost considers placement commissions on bond issues paid to third parties, amounts paid to Exchanges and remuneration paid to Independent auditors for the activities performed for each single issue, while amortised cost does not consider commissions paid to rating agencies, legal and advisory/review expenses for the annual update of prospectuses, the costs for the use of indexes and commissions which originate during the life of the bond issue.

Amortised cost is also applied for the measurement of loss incurred by the financial instruments listed above as well as for the measurement of instruments issued or purchased at a value other than fair value. The latter are measured at fair value, instead of the amount collected or paid, by discounting expected future cash flows at a rate equal to the effective rate of return of similar instruments (in terms of credit rating, contractual expiry, currency, etc.), with the simultaneous recognition in the income statement of a financial charge or income; after initial recognition, these are measured at amortised cost with the registration of higher or lower effective interest with respect to nominal interest. Lastly, structured liabilities that are not measured at fair value through profit or loss, for which the embedded derivative has been separated from the financial instrument, are also measured at amortised cost.

As specified by IFRS 9, in some cases, a financial asset is considered credit-impaired at initial recognition because the credit risk is very high, and in the case of a purchase it is purchased at a deep discount (with respect to the initial disbursement value). If these financial assets, based on the application of the classification drivers (SPPI Test and business model), are classified as assets measured at amortised cost or at fair value through other comprehensive income, they are classed as Purchased or Originated Credit Impaired (POCI) assets and are subject to special treatment for the impairment process. In addition, for the financial assets classed as POCI, the credit-adjusted effective interest rate is calculated, at the initial recognition date, which requires the inclusion of the initial expected credit losses in the cash flow estimates. This credit-adjusted effective interest rate is used for the application of the amortised cost and the consequent calculation of interest.
For non-performing loans arising from business combinations, the difference between the initial recognition amount (the fair value determined in the PPA) of the POCIs and the previous carrying amount at the acquired entity is split into two components: one related to the lower recoverable cash flows estimated at fair value, which therefore include the expected credit losses over their entire remaining life, and the other related to the discounting of those lower recoverable cash flows. Please note that the reversal of discounting (connected with the estimate of recoverable cash flows attributed to non-performing loans at the moment of the PPA) is recognised, on a pro-rata basis, among interest income so as to supplement the contractual interest rate with the higher return resulting from the lower value attributed to the recoverable cash flows, which, as mentioned above, take into account the expected losses over the entire remaining life of the POCI assets.

The amortised cost measurement criterion is not applied to hedged financial assets/liabilities for which fair value changes related to the risk hedged are recorded through profit or loss. The financial instrument is again measured at amortised cost in the case of hedge termination; from that moment the fair value changes recorded before are amortised, calculating a new effective interest rate which considers the value of the loan adjusted by the fair value of the hedged part, until the natural expiry of the hedge. Furthermore, as already mentioned in the paragraphs relating to financial assets and liabilities measured at amortised cost, measurement at amortised cost is not applied to short-term assets/liabilities for which the time value is deemed to be immaterial and to loans without a definite maturity or revocable loans.

Impairment of assets

Impairment of financial assets

At each reporting date, pursuant to IFRS 9, financial assets other than those measured at fair value through profit or loss are subject to an assessment aimed at verifying whether there is any evidence that the carrying value of the assets may not be fully recoverable. A similar analysis is also performed for loan commitments and for guarantees given that must be tested for impairment under IFRS 9.

In preparation for the determination of the impairment losses, at each reporting date the financial instruments must be assigned to the following categories (Stage Assignment or Staging):

– Stage 1: comprising financial instruments for which, from their initial recognition up to the reporting date, there is no evidence of a significant increase in credit risk;
– Stage 2: it comprises financial assets that have had a significant increase in credit risk since initial recognition;
– Stage 3: if there is evidence of impairment, these financial assets – in line with any other assets pertaining to the same counterparty – are considered impaired and are therefore included in stage 3.
  The non-performing exposures consist of financial assets classified in the categories of bad loans, unlikely-to-pay (UTP) loans and exposures past due by more than ninety days, defined in Bank of Italy Circular 272/2008.

Impairment of performing financial assets

For financial assets for which there is no evidence of impairment (unimpaired financial instruments), it is necessary to check whether there are indicators that the credit risk of the individual transaction has increased significantly since initial recognition. This check, in terms of classification (or, more precisely, staging) and measurement, has the following consequences:

– where these indicators exist, the financial asset is included in stage 2. In this case, in compliance with the IAS/IFRS and despite the absence of an actual impairment, the measurement consists of the recognition of impairment losses equal to the lifetime expected credit losses of the financial instrument. These adjustments are subject to revision at each subsequent reporting date, both to periodically check their consistency with the continuously updated loss estimates and to take account – if the indicators of "significantly increased" credit risk are no longer present – of the change in the forecast period for the calculation of the expected credit loss;
– where these indicators do not exist, the financial asset is included in stage 1. In this case, in compliance with the IAS/IFRS and despite the absence of an actual impairment, the measurement consists of the recognition of the 12-month expected credit losses for the specific financial instrument. These adjustments are subject to revision at each subsequent reporting date both to periodically check their consistency with the continuously updated loss estimates and to take into account – if there are indicators that the credit risk has "significantly increased" – the change in the forecast period for the calculation of the expected loss.

With regard to the measurement of financial assets and, in particular, the identification of the "significant increase" in credit risk (a necessary and sufficient condition for the classification of the asset being measured as stage 2), the following factors constitute the key elements to be taken into account, in accordance with the standard and its operational implementation by the Intesa Sanpaolo Group:

– the variation (beyond set thresholds) of the lifetime probabilities of default compared to the time of initial recognition of the financial instrument. This is therefore an assessment made on a "relative" basis, which constitutes the main driver;
– the presence of a past due position that – subject to the materiality thresholds identified by the regulations – has been in that status for at least 30 days. If these circumstances apply, the credit risk of the exposure is considered to have "significantly increased" and the exposure is therefore transferred to stage 2 (when the exposure was previously included in stage 1);
– the presence of forbearance measures, which – again on a presumption basis – result in the classification of the exposures under those whose credit risk has "significantly increased" since initial recognition. Activating a forbearance measure implies a minimum probation period of 24 month in Stage 2;
– some of the indicators from the credit monitoring systems are then considered for the purposes of the transfer between "Stages". Specifically, reference is made to early warning systems. Where signals of high risk (traffic light results) are identified for at least three consecutive months by such systems, a perimeter of potentially riskier counterparties is defined, to be classified in stage 2.

Finally, a staging allocation effect was identified in the in-model adjustment linked to the identification of extreme scenarios (described later in this section). This led to the stage 2 classification of the counterparties deemed most vulnerable to the aforementioned extreme scenarios in relation to the rating assigned.

Focusing on the main trigger out of those referred to above (i.e. the change in the lifetime probability of default), the significant increase in credit risk ("SICR") is determined by comparing the relative change in the lifetime probability of default recorded between the initial recognition date of the relationship and the observation date (lifetime PD Change) with predetermined significance thresholds. The assignment of a lifetime PD to the individual relationships is carried out by allocating the ratings for each segment according to the masterscale at both the initial recognition date and the observation date. Ratings are determined based on internal models, where available, or on business models. If there are no ratings, the Benchmark PDs are assigned to the type of counterparty being assessed.

The significant deterioration is therefore based on the increase in the lifetime PD caused by downgrades of the position from its origination to the reporting (observation) date, as well as the change in the forecast of the future macroeconomic factors.

The above-mentioned "relative" change in lifetime PD is an indicator of the increase or decrease in credit risk during the reporting period. To establish whether, in accordance with IFRS 9, any increase in credit risk can be considered "significant" (and therefore entail a transition between stages), it is necessary to set specific thresholds. Increases in lifetime PD below these thresholds are not considered significant and, consequently, do not result in the transfer of individual credit lines/tranches of debt securities from stage 1 to stage 2. However, this transfer is required if there are relative increases in PD above these

thresholds. The thresholds used have been estimated based on a process of simulations and optimisations of forecast performance, carried out using granular historical portfolio data. Specific thresholds are set for the Corporate, Retail, Large Corporate and Retail SME models and extended to the other models based on methodological affinity. The thresholds differ in terms of residual maturity, annual granularity and rating class.
The determination of the thresholds has been calibrated to find a suitable balance between the performance indicators relating to the ability of the thresholds to:
– detect stage 2 positions before their transition to default;
– identify positions for which a return to stage 1 is due to an actual improvement in credit rating.

To complement the above methodology, a "relative" threshold also exists (tripling of lifetime PD at the observation date compared to the lifetime PD at the initial recognition date), which acts on a residual basis compared to the main methodology. Therefore, if this threshold is exceeded, the position is automatically classified to Stage 2. In order to avoid the "sliding" into stage 2 of particularly high credit quality positions, the threshold is only triggered for non-investment grade loans and securities.

Some specific considerations apply for the "staging" of the debt securities. Unlike loans, for this type of exposure, sales and purchases after initial recognition (made using the same ISIN) may form part of the ordinary management of the positions (with the consequent need to identify methods to be adopted for identifying the sales and repayments in order to determine the remaining quantities of the individual transactions that need to be allocated a credit quality/rating upon origination to be compared with that parameter at the reporting date). In this regard, the use of the "first-in-first-out" or "FIFO" method (for the recognition of the recorded ECL in the income statement, in the event of sales or repayments) was considered to help in providing a more transparent management of the portfolio, also for the front office operators, while also enabling the continued updating of the credit rating based on new purchases.

Once the allocation of the exposures to the various credit risk stages has been established, the expected credit losses (ECL) are determined at individual transaction or securities tranche level, using the IRB/Business models, based on the parameters of Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD), to which appropriate corrections are made to ensure compliance with the specific requirements of IFRS 9.
The following definitions apply for PD, LGD and EAD:
– PD (Probability of Default): likelihood of migrating from performing to non-performing status over the period of one year. In models consistent with supervisory provisions, the PD factor is typically quantified through the rating. In Intesa Sanpaolo, the PD values are derived from internal rating models where available, supplemented by external ratings or segment/portfolio average figures;
– LGD (Loss Given Default): percentage loss in the event of default. In the models consistent with supervisory provisions, it is quantified through the historical experience of discounted recoveries on exposures that have become non-performing;
– EAD (Exposure At Default) or credit equivalent: amount of the exposure at the time of default.
As mentioned above, in order to comply with IFRS 9, specific adjustments had to be made to these factors, including in particular:
– adoption of a Point in Time (PIT) PD compared to the Through the Cycle (TTC) PD used for Basel purposes;
– removal of some additional components from the TTC LGD, such as indirect costs (non-recurring costs) and an additional margin of conservatism specifically introduced for the regulatory models, as well as the component linked to the economic downturn;
– the introduction of specific treatment in relation to the regulatory provisions, in order to estimate the accounting LGD, to include in the modelling (in line with the indications of IFRS 9 on using entity-specific information) the estimates of internal recoveries exceeding the regulatory threshold of the Maximum Recovery Period, i.e., the maximum time limit beyond which the Supervisory Authority assumes that nothing will be recovered;
– the use of PDs and, where necessary, multi-period LGDs, to determine the lifetime expected loss of the financial instrument (stages 2 and 3). To this end, it is specified that the contractual term of individual financial instruments is normally used to determine their residual life. Revolving and on-demand products are an exception as their duration is defined based on behavioural maturity, while maintaining a minimum duration of one year. These analyses are based on the modelling of core deposits developed with respect to financial risks;
– the introduction of specific treatments for financial instruments that have significant payment obligations only close to the maturity of the financial instrument (these instruments are repaid in a single instalment made up of principal and interest ("bullet instruments"), or have a significant portion of the principal repaid at the final maturity date of the contract ("balloon instruments")). For these instruments, the risk of default may not necessarily decrease over time. Consequently, an adjustment has been introduced in the ECL calculation of these types of financial instruments, modulating lifetime PDs according to the original and residual maturity of the exposures, applying adjustment factors that more realistically reflect the empirical distribution of defaults recorded historically. This adjustment applies to the entire portfolio of stage 2 performing loans and only to stage 1 counterparties with a residual maturity of less than one year and a non-investment grade macro rating class;
– the use of the effective interest rate of the individual transaction in the discounting of the expected future cash flows, unlike in the regulatory models, where the individual cash flows are discounted using the discounting rates determined in compliance with the prudential regulations.
In relation to the multi-period EAD, in line with IFRS 9 Intesa Sanpaolo refers to the plans at amortised cost for both loans and receivables and debt securities, regardless of the measurement method used (amortised cost or fair value through other comprehensive income). For loan commitments (margins), on the other hand, the EAD is assumed to be equal to the nominal amount weighted according to a specific Credit Conversion Factor (CCF).

The measurement of the financial assets also reflects the best estimate of the effects of current and future conditions and in particular the economic conditions that affect the forward-looking PDs and LGDs. IFRS 9, also based on the guidance from the international regulators, gives particular importance to information on future macroeconomic scenarios in which the Bank may find itself and which clearly influence the situation of the debtors, with regard both to the "risk" of migration of exposures to lower

quality classes (and therefore concerning the staging) and to the recoverable amounts (and therefore concerning the determination of the expected loss on the exposures). In terms of method, various possible alternative approaches designed to take account of these elements have been analysed. Of the various alternatives considered, Intesa Sanpaolo has decided to adopt the "Most Likely scenario+Add-on" approach. According to this approach, the macroeconomic conditioning of PD and LGD is carried out through a baseline scenario ("Most Likely", in line with the approach used for other business purposes such as, for example, the budget and business plans) and then corrected with an Add-On to include any differences compared to downside and upside scenarios. If the overall impact of the Add-On on the risk parameters is positive, the decision has been made to neutralise the effect for both staging and ECL calculation purposes.

The macroeconomic scenario is determined by the Bank's Research Department using forecasting models that are disclosed to the market to determine the consensus. Alternative upside and downside scenarios are determined through stress tests of the input variables of the forecasting models.

In particular, the most likely scenario and alternative scenarios are determined using a set of analytical and stand-alone forecasting instruments that determine the forecast path for several blocks of variables, namely:
– national accounts and inflation of the main Eurozone countries, the United States, the United Kingdom and Japan;
– official rates (ECB, Fed, BoJ), EUR and USD swap rate curves, and several points of the government curves;
– exchange rates for EUR, USD, JPY and GBP;
– stock market indices (DJ Eurostoxx 50 and S&P 500);
– Brent price;
– some specific data for the Italian economy (industrial production, real estate prices, employment, public finance balances).

These forecasts are then processed using the Oxford Economics multi-country structural Global Economic Model, where they replace the forecast paths of the baseline scenario provided by the company with the periodic updating of the database. The model is then solved to derive a consistent global forecasting framework, including variables for which no specific models have been developed, and to obtain a simulation environment that can be used to generate alternative scenarios. This step may require some iterations, particularly if the forecasting framework generated internally is significantly different from the one provided by Oxford Economics. If this is the case, further fine-tuning may be needed for specific secondary variables that the analysts consider to be inconsistent with the forecast scenario or that have an unexplainable quarterly volatility.

The alternative paths are selected using external information. In particular:
– average annual GDP growth rates of several countries: this is the key driver for the simulation and the deviations are determined to replicate the dispersion of the growth estimates published by Consensus Economics in the most recent report available at the date of the simulation, considering the minimum and maximum forecasts (after applying a filter to identify and eliminate possible outliers). If there are outliers, these are discarded and the remaining maximum and minimum values are considered. Since consensus estimates are only available for the first two years of the simulation period, an extrapolation of the deviations identified for the first two years is used for the third year;
– stock market indices (DJ Eurostoxx 50, S&P 500) and US residential real estate prices: the minimum and maximum forecasts of the Thomson Reuters panel are used as a reference;
– Italian residential real estate prices: since no consensus estimates are currently available, the alternative paths are based on the distribution of the historical quarterly changes available from 1980 to the current quarter.

The percentile value identified is used, for the Most Likely scenario, to determine the variations corresponding to a probability gap, calculated through statistical analysis of the historical distribution of the observations. The two (positive and negative) changes with respect to the most likely scenario are then used to calculate the level of the individual identified indices, reconstructing the two alternative paths (one positive and one negative) for each of them that represent the input for the determination of the Add-On. The probability gap used is identified based on the variability characteristics of the series, to obtain a significant deviation from the most likely scenario.

In addition to defining the alternative paths, a map of possible additional factors is maintained, i.e., adverse idiosyncratic events or scenarios, not explicitly incorporated in the time series used for the construction of the most likely scenario or in the alternative paths, which can generate further significant effects on expected losses.

The following is assessed for these events/scenarios:
– the possible time frame;
– the degree of inclusion in the most likely scenario or the alternative paths;
– the potential impact, assessed in qualitative terms.

The map of additional factors also draws on the list of risk factors contained in the forecast reports of the IMF (World Economic Outlook) and the European Commission and may change over time.

Within the assessment of the time frame for the additional factors, note is made if the factor cannot be placed within a specific time period, which makes its incorporation into the Most Likely scenario or alternative paths unfeasible.

The assessments made take account of the fact that the consensus estimates may include forecasts that already incorporate the total or partial realisation of one or more risk factors in their estimates, which means that the alternative paths may already incorporate these additional factors to some extent.

Where there is considerable uncertainty in the national and international macroeconomic forecasts, as well as significant deviations in terms of best-case forecasts with respect to the TTC scenario, prudential factors may be introduced in relation to the deviations in the minimum and maximum values of the variables based on the above-mentioned consensus or historical figures.

The above macroeconomic scenarios (Most Likely and alternative scenarios) are used in internal models to determine the point-in-time (PIT) parameters.

Specifically, the time series of default rates acquired from the Bank of Italy are differentiated over the main economic macro-sectors (e.g. consumer households, family businesses, construction) and, for each of these, specific satellite models establish the relationships with the macroeconomic variables in order to obtain the forecast default rates. In turn, these impact the TTC transition matrices between rating classes and thus provide the PIT transition matrices for each scenario (most likely and alternative scenarios). These give rise to the lifetime conditional PD.

In particular, the TTC matrices are calculated using internal default rates for the Corporate, Retail SME and Retail segments, whereas the Bank of Italy system rates are used for the Low Default segments, because the internal time series data for those segments is less extensive. The forward-looking point-in-time matrices, on the other hand, are calculated using the system default rates for all the segments.
A similar process is used to determine the PIT LGD grids.

Taking account of the repayment plans of the individual loans, their conditional PD and LGD, residual maturity and staging, the impairment of performing financial assets is determined.

Finally, with reference to the estimation methodologies of impairment of performing financial assets, in certain circumstances, the need may arise to make adjustments (valuation increases) to the results of the models adopted. That need may indicatively arise as a result of external events that are unexpected, which the bank cannot control and have potential consequences, also on a large scale, on the measurement of the ECL of the portfolios as a result of elements that otherwise are not adequately captured within the IFRS 9 framework. It must be noted that the IFRS 9 estimation methodologies are founded on experience-based assumptions, and are strongly anchored to historical observations, which are considered over a congruous time horizon and in a sufficiently stable backdrop. Therefore, in order to fully understand the effects of particular conditions of volatility or of possible significant economic deviations from the expected macroeconomic scenarios, also in relation to "emerging risks", a specific reference framework was identified to take action - duly approved by the competent management bodies - to factor into ECL calculation further elements that are not yet and/or insufficiently covered by the models in use.
Specifically, the measurement of ECL in such situations is adjusted (increasing) via the following elements:
– a first impact (in-model adjustment) on the performing positions as a whole, in the case of specific economic times characterised by risks of significant deviation from the expected scenarios, estimated through the forward-looking conditioning model, with an impact on the individual risk parameters (PD and LGD), by identifying "extreme" scenarios, characterised by a probability of occurrence considerably contained and typical only of extreme events (therefore outside the consensus ranges) with respect to the long-term macroeconomic scenario. The approach described also triggers a staging allocation effect with stage 2 classification of the counterparties deemed most vulnerable to extreme scenarios in relation to the assigned rating;
– a second impact (in-model adjustment) which aims to incorporate the effect of climate risk into credit risk parameters, with a focus on performing loans to businesses and mortgages to individuals. Specifically, the effects of transition and physical risk on the creditworthiness of companies are assessed by simulating the impact of climate risks on financial statements (with an impact on PD), as well as the impact of acute physical risks on the prospective value of real estate collateral for retail mortgages (with an impact on LGD). The effects are obtained by evaluating different climate scenarios (source: NGFS – Network for Greening the Financial System). The approach described also generates a staging allocation effect;
– an additional impact (post-model adjustment) related to the effects - on "vulnerable" customers and at the same time belonging to subsectors of the loan portfolio, particularly exposed to the consequences of "emerging" risk factors - of the combination of evolving structural risks and new risks, with the exception of climate risk factored directly into the risk parameters (in-model adjustment) as indicated earlier. This enhances the information from credit quality monitoring processes. This latter valuation burden is determined for vulnerable customers belonging to higher-risk subsectors, by increasing the ECL in relation to the estimated greater risk. The approach described also triggers a staging allocation effect with stage 2 classification of the most vulnerable positions.

Impairment of non-performing financial assets
Non-performing loans are represented by bad loans, unlikely to pay and past due positions by more than 90 days.
Non-performing loans classified as bad loans are subject to the following measurement methods:
– analytical-statistical measurement, which is used for exposures of less than 2 million euro and is based on the use of specific LGD grids, plus an Add-On to take account of forward-looking information relating to the impact of expected future macroeconomic scenarios (as described in the previous paragraphs);
– analytical-specific measurement, which is used for customers with exposures exceeding 2 million euro and is based on the impairment percentages allocated by the manager, following specific analysis and measurements, also based on the Add-On to take account of forward-looking information, and in particular information relating to the impact of future macroeconomic scenarios (except for bad loans backed by mortgage collateral or relating to property leases for which the impact of future scenarios is included through the method used to determine the haircuts to the value of the properties pledged as collateral).

The measurement of unlikely-to-pay loans (UTPs) is also performed based on different approaches:
– analytical-statistical measurement, for exposures of less than 2 million euro, based on the use of specific LGD grids, plus an Add-On to take account of the impacts of future macroeconomic scenarios, as well as continuation in the risk status, in order to penalise positions with greater vintage or which have no movements and/or recoveries for a particular period of time;
– analytical-specific measurement, for on-balance sheet exposures of more than 2 million euro, based on the impairment percentages allocated by the manager, following specific analyses and assessments, plus an Add-On to take account, also in this case, of the impacts of future macroeconomic scenarios and of continuation in the risk status.

Regardless of the division of these exposures between those subject to analytical-statistical measurement and those subject to analytical-specific measurement (as identified above), the add-ons envisaged include the sales scenarios for the disposable non-performing loans if the business plan and the NPL reduction plan envisage sales and those sales do not lead to a reclassification pursuant to IFRS 5. The valuation of the disposable non-performing loans therefore considers the possibility of also realising these loans through their sale.

Non-performing loans classified in the past-due loans category, on the other hand, are subject to analytical measurement based on statistics, regardless of the amount of the exposure. However, also in this case, the adjustment determined based on the

LGD statistical grids is supplemented to take account of the Add-On attributable to the effect of the evolution of the future macroeconomic scenarios.

Credit exposures must continue to be carried as non-performing for at least three months after they cease to meet the requirements for being classified as such (the "probation period"). Until the conditions are met for reclassification out of the non-performing category, such exposures are retained in their respective risk classes and measured according to an analytical-statistical or an analytical-specific approach taking account of their lower risk level.

A brief description is provided below of the methods used for the analytical-specific and analytical-statistical measurement:

– the analytical-specific measurement of bad loans and unlikely-to-pay loans above 2 million euro is a measurement performed by the managers of the individual positions based on a qualitative and quantitative analysis of the borrower's financial position, the riskiness of the credit relationship, the targets and strategies for reduction of the non-performing loans, and any mitigating factors (collateral), taking into account the financial impact of the estimated recovery time.
  For bad loans in particular, a series of elements are relevant, which differ according to the characteristics of the positions, and must be thoroughly and prudently assessed, including the following, listed merely as examples:
  - nature of the credit, whether preferential or unsecured;
  - net asset value of the borrowers/third party collateral providers;
  - complexity of existing or potential litigation and/or the underlying legal issues;
  - exposure of the borrowers to the banking system and other creditors;
  - last available financial statements;
  - legal status of the borrowers and any pending insolvency and/or individual proceedings.

  In order to determine the estimated realisable value of loans secured by real estate, and to take into account both historical recovery data of recoveries and the forward-looking information in accordance with IFRS 9, an approach is applied focused on the valuation of real estate based on the expected average auction price and the related reduction in the observed price, with the calculation of average haircuts that differ according to the type of real estate collateral (residential, commercial, industrial, further differentiated depending on whether the property is completed or under construction, in addition to land). The resulting clusters of real estate collateral are subsequently differentiated depending on the location of the asset, with reference to the effectiveness of the socio-economic fabric in which the asset is located, i.e. based on the capacity of that geographical area to achieve auction results that represent the maximum realisable value of the asset. Accordingly, to avoid duplications, a macroeconomic Add-On is not used in the analytical-specific measurement for bad mortgage loans, because the forward-looking component is already taken into account through the haircut.
  For real-estate bad loans arising from lease contracts, in view of the particular nature of the product (lack of auctions), the haircut is estimated as the depreciation of the asset with respect to the appraised value observed at the time of classification as non-performing and the actual price of sale.

  In addition, for unlikely-to-pay loans, the measurement is based on a qualitative and quantitative analysis of the borrower's financial position and on precise assessment of the risk situation.
  The calculation of the impairment loss involves the valuation of the future cash flows that the borrower is considered to be able to generate and that will also be used to service the financial debt. This estimate must be made based on two alternative approaches:
  - the going concern approach: the operating cash flows of the borrower (or the beneficial owner) continue to be generated and are used to repay the financial debts contracted. The going concern assumption does not rule out the realisation of collateral, but only to the extent that this can take place without affecting the borrower's ability to generate future cash flows. The going concern approach is also used in cases where the recoverability of the exposure is based on the possible sale of assets by the borrower or on extraordinary transactions. Similarly to the case of bad loans, haircuts are also used in measuring real-estate collateral for unlikely-to-pay positions. For going-concern positions, these haircuts are determined on the basis of the haircuts applied in the liquidation process (gone-concern bad loan or UTP position), while applying a calibration factor equal to the probability of migration of the UTP positions to the bad loan category;
  - the gone concern approach: applicable in cases when it is believed that the borrower's cash flows will cease. This is a scenario that can apply to positions that are expected to be classified as bad loans. In this context, assuming that shareholders' interventions and/or extraordinary operations to restructure debt in turnaround situations are not reasonably feasible, recovery of the credit is essentially based on the value of the collateral that secures the Bank's credit claim, net of the application of a haircut (determined as for bad loans) and, alternatively, on the realisable value of the assets, taking into account the liabilities and possible pre-emptive claims;

– the analytical-statistical measurement, performed for bad loans and unlikely-to-pay loans of less than 2 million euro and for past-due loans has specific features according to the type of exposure involved.
  With respect to non-performing counterparties belonging to the Corporate and Retail SME regulatory segments, the analytical-statistical measurement is based on the Defaulted Asset LGD grids which consider the losses observed on non-performing positions throughout the entire default period, regardless of the risk statuses observed (bad loans, unlikely to pay and past due and/or overdue for more than 90 days). The Defaulted Asset LGD model, in addition to considering the technical form, the presence of eligible personal or state guarantees and mortgage collateral (with an opening for Value to Loan) as predictive variables for the LGD of performing loans, also considers the following as specific variables for non-performing loans: the vintage, the type of risk status (bad loans vs. other) and, only for bad loans, the existence of judicial debt recovery procedures. The recovery time grids are mainly broken down by regulatory segment and by additional significant analysis axes used in the modelling (e.g. Vintage, type of risk status).

  With respect to the other regulatory segments (essentially Retail), the analytical-statistical measurement is obtained by defining LGD grids based on the estimate of recoveries observed solely on bad loan positions (Bad Loan LGD). For unlikely to pay and past-due loans, this LGD is adjusted by recalibrating the Bad Loan LGD using the Danger Rate module, i.e. a

multiplier to be applied to the Bad Loan LGD in order to take into account the loss rates recordable in the various default statuses (unlikely to pay or past due).
Also in the LGD estimation models used in the analytical-statistical measurement of non-performing exposures, several additional components specifically included for regulatory models are removed, similar to that illustrated for performing exposures.

With regard to the inclusion of current and forward looking information, it should be noted that, for non-performing exposures, a statistically estimated component (Add-On from macroeconomic scenario) linked to the most likely and downside scenarios expected over the period of the next three years is also considered, according to the criteria already described.
In fact, as required by IFRS 9, the effects of the forward-looking scenario on LGD estimates must also be considered and the aforementioned component is aimed at capturing the non-linearity of the relationship between the macroeconomic variables and ECL measurement, by analysing the forecast uncertainty of the variables used for the preparation of the most likely scenario. It is based on the methodological framework that is used for performing loans, but ignores the upside scenario from a prudential perspective and only considers the average downside and most likely scenarios over the period of the next three years.
Also in terms of future scenarios, with regard to the unlikely to pay category, which includes positions that are still performing but show signs of difficulty, both for positions with analytical-specific measurement and those with analytical-statistical measurement, when there are no effective forbearance measures, an additional component shall be applied (in addition to the aforementioned add on from the macroeconomic scenario) to reduce the recoverable amount of the positions based on their vintage in the risk status and the absence of movements and/or recoveries in a specific period of time.

With regard to the alternative recovery scenarios, the Intesa Sanpaolo Group, in relation to the objectives of reducing the stock of outstanding non-performing loans, included in its business plans, and the commitments made to the Supervisory Authorities, with specific regard to the NPL Strategy, considers the sale of particular portfolios as the strategy that, in certain conditions, can maximise the cash flow recovery, also considering the recovery times.
Consequently, the "ordinary" scenario, which assumes a recovery strategy based on the collection of credit, typically through legal actions, mandates to credit recovery companies and the realisation of mortgage collateral, is also been accompanied - where applicable and as an alternative recovery strategy - by the scenario of the sale of the loan.
Where company plans and Bank strategies identify disposal objectives and, as a result, a portfolio of non-performing loans that may be disposed of, until the disposal objectives are reached, the loans and receivables included in that portfolio shall be measured taking account of both the amount recoverable through operating activities and market valuations (based on external appraisals) and/or sales prices, if already defined.
In particular, where a larger loan portfolio that may be sold represented by Group loans that are disposable (thus, for example, positions that are not involved in disputes, as per precise indication by the management structures and which are not subject to synthetic securitisation), in relation to the sales objectives is identified, the book value of said portfolio is determined by weighting the recoverable amount through operating activities with the amount recoverable through sale.
More specifically, the recoverable amount of disposable non-performing loans is quantified as the average between (i) the value in the event of sale (fair value) and (ii) the collection amount, weighted on the basis of the percentage of the loans eligible for sale - determined as the ratio between the target volume of loans to be sold and the respective non bankruptcy-remote portfolios having the same profile, i.e. as a percentage that reflects the probability of sale of the portfolios whose disposal is considered highly probable. The "collection amount" was determined according to the ordinary methods adopted by Intesa Sanpaolo for the impairment of non-performing loans, i.e. based on the individual measurement of the exposures exceeding a defined threshold and based on an analytical-statistical measurement for the others. The measurement of the value in the event of sale is carried out by an external expert, based on market valuations.
However, where the positions to be sold are specifically identified, those positions shall be measured exclusively taking account of the market values established by external experts, based on a specific fairness opinion or, if already defined through a binding agreement with the buyer, the sales price. Those loans are also reclassified as assets held for sale.

As already mentioned, the purchased or originated credit-impaired (POCI) financial assets have specific features in terms of impairment. As a result, value adjustments equal to the lifetime ECL must be recognised on these instruments from their initial recognition date and for their entire lifetime. At each subsequent reporting date, the amount of the lifetime ECL must therefore be adjusted, with the recognition through profit or loss of the amount of any change in lifetime expected credit losses as a gain or an impairment loss. In view of the above, POCI financial assets are initially recognised in stage 3, subject to the possibility of being subsequently transferred to the performing loans stage, even if an expected loss equal to the lifetime ECL will continue to be recognised.

Lastly, with regard to non-performing loans, it is highlighted that Intesa Sanpaolo uses the – full or partial – write-off/derecognition of unrecoverable accounting positions and, in the following cases, the consequent allocation to loss of the remainder that has not yet been adjusted:
- uncollectability of the debt, as a result of definite and precise elements (such as, for example, untraceability and indigence of the debtor, lack of recovery from realisation of securities and real estate, negative foreclosures, bankruptcy proceedings closed with no full compensation for the Bank, if there are no further guarantees that can be enforced etc.);
- waiver of the credit claim, due to the unilateral cancellation of the debt or residual amount as a result of settlement agreements;
- no waiver of the credit claim. With regard to the full or partial write-offs without waiver of the credit claim, in order to avoid maintaining loans on the balance sheet that have a very low possibility of recovery, despite continuing to be managed by the recovery structures, they are fully or partially written off due to uncollectability even if the legal proceedings have not been closed. The write-off can only involve the portion of the loan covered by provisions and, therefore, each loan can only be written off up to the amount of its net book value. Therefore, on a periodic basis, the Group identifies the bad loan portfolios to be subject to total or partial write-offs with the following macro-characteristics:
  - percentage cover of 100% and a vintage (understood as the period of time in "bad loan" status) of >1 year;

- percentage cover of >95% and a vintage (understood as the period of time in "bad loan" status) of >5 years or >8 years, respectively, for non-mortgage and mortgage loans.

Portfolios to be written off can also be identified that have similar characteristics that are different from those indicated above, but that relate to exposures that have a marginal possibility of recovering the amount of the provision, where the minimum amount of the provision (calculated taking into account the accumulated write-offs on the position, according to the same rule established at prudential level by the calendar provisioning framework) is at least equal to the amount needed to bring the value of the exposures up to their fair value estimated based on the prices recorded in the latest sales of bad loans made by the Group.

Impairment of investments in associates and companies subject to joint control

At each reporting date the investments in associates and companies subject to joint control are subjected to an impairment test to assess whether there is objective evidence to consider that the carrying value of such assets is not fully recoverable.
The process of detection of any impairment involves the verification of the presence of impairment indicators and the determination of any write-down. The impairment indicators are essentially divided into two categories: qualitative and quantitative indicators.
Qualitative indicators include:

– the generation of negative economic results or in any case a significant variance with respect to the targets budgeted or established in the multi-year plans disclosed to the market;
– the announcement/initiation of insolvency proceedings or restructuring plans;
– the downgrading by more than two rating classes;
– failure to discharge payment obligations for debt securities issued fully and in a timely manner;
– use of industrial policy tools aimed at responding to a serious crisis or allowing companies to face restructuring/reorganisation processes.

Quantitative indicators include:

– a reduction in fair value of over 30% below the carrying value or for a period of over 24 months;
– a market capitalisation lower than the company's net book value, in the case of securities listed on active markets, a carrying value of the investment in the Parent Company's financial statements higher than the carrying value in the consolidated financial statements of the investee's net assets and goodwill, or distribution by the investee of a dividend that is higher than its total income.

The presence of impairment indicators results in the recognition of a write-down to the extent that the recoverable amount is lower than the recognition value.
The recoverable amount consists of the higher of the fair value and the value in use, less costs to sell.
For an illustration of the valuation techniques used to determine fair value, see the specific Section A.4 - Information on fair value.
Value in use is the present value of expected future cash flows from the asset; it reflects estimated expected future cash flows from the asset, the estimate of possible changes in the amount and/or timing of cash flows, time value of money, the price able to repay the risk of the asset and other factors, which may affect the appreciation by market participants of expected future cash flows from the asset.
Value in use is determined by discounting future cash flows.

For controlling investments in subsidiaries, the single equity investments are not individually significant for the purposes of the impairment test in the Parent Company's financial statements, instead they are included in the impairment test of the Cash-Generating Units (CGU) conducted at consolidated level. The CGUs identified are represented in some cases (Banca dei Territori and IMI Corporate & Investment Banking) by operations conducted directly by the Parent Company and some subsidiaries, in other cases (International Banks) by combinations of subsidiaries, and in other cases (Private Banking and Asset Management) they correspond to the associated legal entity. When an equity investment does not produce cash flows that are largely independent of the cash flows from other assets the impairment tests are conducted at CGU level, rather than at the individual investment level. Consequently, when the assets attributable to a subsidiary are included in a CGU that is broader than the equity investment itself, as described in more detail in the following chapter, the impairment test can only be conducted at this level and not at the level of individual subsidiary for which the accurate estimation of a value in use is not possible.

Impairment of non-financial assets

Property, equipment and intangible assets with definite useful life are subject to impairment testing if there is the indication that the book value of the asset may no longer be recovered. The recoverable amount is determined with reference to the fair value of the property and equipment or intangible assets less costs to sell or the value in use, if determinable and if it is higher than fair value.
For property and equipment other than real estate and valuable art assets and intangible assets (other than those recognised following business combinations) it is assumed that the carrying amount normally corresponds to the value in use, since it is determined by a depreciation or amortisation process estimated on the basis of the effective contribution of the asset to the production process and since the determination of fair value is extremely subjective. The two values diverge and lead to impairment in case of damages, exit from the production process or other similar non-recurring circumstances.
As clarified in the discussion of "Property and equipment and intangible assets", Intesa Sanpaolo measures owner-occupied properties and valuable art assets according to the revaluation model; in this case, any impairment loss on a revalued asset must be treated as a decrease in the revaluation up to the relevant amount, after which any difference is taken to the income statement.
As described in the Information on fair value - "Fair value of real estate and valuable art assets", for owner-occupied properties each year a scenario analysis is conducted on trends in the real-estate market to assess whether there are any significant deviations in the value of the assets. If significant changes are identified (+ or - 10%), an updated appraisal is prepared to adjust

the fair value of the asset to the valuations of the real estate market. If there are no significant differences, the value is redetermined through a new expert appraisal every two years for "trophy assets" (i.e. particularly prestigious properties used by management functions located in the main cities where the bank is based or properties of particular historical and artistic interest because they are listed by the Ministry of Culture) and every three years for other owner-occupied properties.
For the valuable art assets, the revaluation is carried out by means of a new expert appraisal every three years. However, a scenario analysis is carried out annually to identify any appreciable changes in value in order to bring forward the valuation. If the annual monitoring identifies a possible positive or negative value deviation of more than 15% for individual works of artists, new appraisals are commissioned.
Intangible assets recognised following a business combination and in application of IFRS 3 are subjected to an impairment test at each reporting date to assess whether there is objective evidence that the asset may have been impaired.
Intangible assets with a finite life, represented by the value of the asset management portfolio and the value of the insurance portfolio, in the presence of impairment indicators are subjected to a new valuation process to assess the recoverability of the book values. The recoverable amount is determined on the basis of the value in use, namely the present value estimated using a rate representing the time value of money and the asset's specific risks, of the income margins generated by the existing relations as at the valuation date over a period which expresses their expected residual life.
Intangible assets with an indefinite life, represented by the valuation of the brand name and goodwill, do not have independent cash flows and therefore annually undergo an assessment of the adequacy of the value recorded under the assets with reference to the Cash-Generating Unit (CGU) to which the values are attributed at the time of the business combinations. As CGU identification requires an analysis of the management characteristics and reporting methods used by management, and as the logic for strategic decision-making by management of the Parent Company is that of the Group as a whole and not only that of the Parent Company as an individual entity, the CGUs are identified in the consolidated financial statements.
The CGUs identified are represented in some cases (Banca dei Territori and IMI Corporate & Investment Banking) by operations conducted directly by the Parent Company and some subsidiaries, in other cases (International Banks) by combinations of subsidiaries, and in other cases (Private Banking and Asset Management) they correspond to the associated legal entity. As stated, as these are the same CGUs identified at consolidated level, the assessment of the retention of goodwill and other assets with an indefinite life recorded in the Intesa Sanpaolo Group's financial statements is also valid with reference to the values recorded in the Parent Company's financial statements. Therefore, the assessment conducted at consolidated level with reference to the individual CGUs is used, after comparing the book value of the assets in the Parent Company's financial statements, without conducting, if the result is positive, a new test in the Parent Company's financial statements.
If, at consolidated financial statement level, an impairment loss needs to be recognised for a particular CGU, this write-down must be assigned to the assets that make up the CGU starting with goodwill. If the need to record an adjustment is found relating to a CGU that does not coincide with the associated legal entity, the write-down is assigned to the banking subsidiaries, after the elimination of the goodwill pertaining to the CGU recorded in the Parent Company's financial statements under a specific caption, on the basis of the respective fair values.
For a description of the criteria for the determination of the recoverable amount of the CGUs see the contents of Part A - Accounting policies, of the consolidated financial statements.
With regard to the intangible asset represented by the brand name, if the reference CGU does not have any goodwill allocated and, as a result, it is not possible to test the recoverable amount of the specific intangible as part of the impairment test of the goodwill based on total cash flows at the level of the CGU, then an independent and specific valuation is made on the basis of the fair value certified by the appraisal of an independent expert.

Business combinations

Business combinations are governed by IFRS 3.
The transfer of control over a company (or over a group of assets managed together as a single business) is considered a business combination.
To this end, control is deemed to have transferred when the investor is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns by exercising its power over the investee.
IFRS 3 requires that an acquirer be identified in any business combination. The acquirer is identified as the combining entity that obtains control of the other combining entities or businesses. If a controlling entity cannot be identified, following the definition of control described above, as for example in the case of exchange of equity investments, the identification of the acquirer must occur considering other factors such as: the entity which has a significantly higher fair value, the entity which pays a cash consideration, the entity which issues new shares.
The acquisition, and therefore the initial consolidation of the acquired entity, must be recognised in the books on the date in which the acquirer effectively obtains control over the acquired company or businesses. When the combination occurs via an exchange of voting ordinary equity instruments, the date of the exchange usually coincides with the date of the acquisition. However, it is always necessary to verify that there are no agreements which may lead to transfer of control prior to the date of the exchange.
The consideration transferred as part of a business combination is equal to the sum of the fair value, at the exchange date, of the transferred assets, the liabilities incurred or assumed and the equity instruments issued by the acquirer in return for control. In transactions which entail cash consideration (or when payment occurs via cash-equivalent financial instruments), the purchase price is the agreed consideration. When settlement does not occur in the short-term, the fair value of any deferred component is calculated by discounting the amounts payable to their present value; when payment occurs via an instrument other than cash, therefore via the issue of financial instruments, the price is equal to the fair value of such instruments net of the costs directly attributable to their issue. For the determination of fair value of financial instruments, see Section A.4 – Information on fair value and note that, in the case of shares quoted on active markets, fair value is represented by Stock Exchange price at acquisition date or, should that not be available, the last price available.
Purchase price at acquisition date includes any adjustments to the cost contingent on future events, if provided for by the combination agreement and only if the adjustment is probable, can be measured reliably and realised within the twelve months subsequent to the date of acquisition of control. Instead, any restoration related to any loss in the value of the assets used as consideration is not included in purchase price since it is already considered either in the fair value of equity instruments or as a reduction in the premium or an increase in the discount on the initial issue of debt instruments.

Acquisition costs refer to the charges incurred by the acquirer to carry out the business combination, including, for example, professional fees paid to independent auditors, experts, legal advisors, costs for legal opinions and audit of accounts, preparation of information documents required by the law, as well as advisory fees sustained to identify potential acquisition targets if the contract provides for the payment of success fees as well as debt securities' or equities' registration and issue costs.
Acquisition costs must be recognised as charges when incurred and when the related services are provided, except for the costs relating to the issue of debt securities or equities which must be recognised in accordance with IAS 32.
Business combinations must be accounted for using the "acquisition method" whereby identifiable assets acquired (including any intangible assets which had not been previously recognised by the acquired company) or liabilities assumed (including contingent liabilities) are recognised at their fair value at acquisition date.
Moreover, as specifically required by IFRS 3, for each business combination, any minority interest in the acquired company can be recognised at fair value (therefore increasing the consideration transferred) or in proportion to the minority investment in the net identifiable assets of the acquired companies.
If control is achieved in stages, the acquirer recalculates its previous interest in the acquired company at the acquisition date fair value. Any difference with respect to the previous carrying value is taken to income statement.
Excess between the consideration transferred (being the fair value of transferred assets, liabilities incurred and equity instruments issued by the acquirer), increased, where present, by minority interests (determined as above) as well as the fair value of the stakes already held by the acquirer, and the fair value of acquired assets and liabilities should be recognised as goodwill. Conversely, such difference is taken to the income statement when the latter exceed the sum of the consideration, minority interests and the fair value of the stakes already held.
The accounting for business combination can be determined provisionally by the end of the year in which the combination is realised and must be completed within twelve months of the acquisition date.
The following transactions are outside the scope of business combinations: transactions aimed at acquiring control over one or more entities which are not part of the company's business; transactions aimed at acquiring transitory control; transactions conducted for organisational purposes, therefore between two or more companies or businesses which are already part of the Intesa Sanpaolo Group, and which do not entail changes in control, independently of the extent of minority interests in each of the combining entities before and after the business combinations (business combinations involving entities under common control). These transactions are considered immaterial. Therefore, since there are no specific provisions in IAS/IFRS and in compliance with IAS 8 which requires – in the absence of a specific standard – that the reporting entity must use its judgement in applying an accounting policy that results in information that is relevant, reliable, prudent and that reflects the economic substance of the transaction, these are accounted for safeguarding the continuing values in the financial statements of the acquirer.
Mergers are examples of combinations between companies and represent the most complete business combinations, since they imply the legal and economic unification of the merged entities.

Mergers which entail the establishment of a new legal entity and mergers by incorporation (which entail that an entity is absorbed by another existing entity) are treated according to the criteria illustrated above, that is:
– if the transaction leads to the transfer of control of a company, it is accounted for as a business combination as provided for by IFRS 3;
– if the transaction does not lead to the transfer of control, it is accounted for by privileging the continuity of the values.

A.3 – INFORMATION ON TRANSFERS BETWEEN FINANCIAL ASSET PORTFOLIOS

Following the adoption of IFRS 9, the Intesa Sanpaolo Group did not make changes to its business model for managing its financial assets and, therefore, no transfers occurred between portfolios of financial assets.
According to the general rules established by IFRS 9 on the reclassification of financial assets (except for equity instruments, for which no reclassification is permitted), reclassifications to other categories of financial assets are not permitted unless the entity changes its business model for those financial assets. Such changes are expected to be extremely rare and must be decided by the management following significant external or internal changes that can be demonstrated to external parties.

A.3.1 Reclassified financial assets: change in business model, book value and interest income

No disclosure is required since there are no reclassified financial assets recognised under balance sheet assets.

A.3.2 Reclassified financial assets: change in business model, fair value and effects on comprehensive income

No disclosure is required since no transfers were carried out between portfolios of financial assets in 2025.

A.3.3 Reclassified financial assets: change in business model and effective interest rate

No disclosure is required since there are no reclassified financial assets recognised under balance sheet assets.

A.4 – INFORMATION ON FAIR VALUE

FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES, INDEPENDENT PRICE VERIFICATION AND PRUDENT VALUATION

FAIR VALUE, INDEPENDENT PRICE VERIFICATION AND PRUDENT VALUE OF FINANCIAL INSTRUMENTS

The framework of financial measurement at fair value is based on three pillars: fair value measurement according to the IAS/IFRS, independent price verification (IPV) and prudent value measurement. The latter two are established by the Capital Requirements Regulation (CRR). The paragraphs below describe the methods applied by the Bank to implement and use those elements.

General fair value principles

The Bank governs and defines the fair value measurement of financial instruments through the Group Guidelines and Rules for Valuation of Financial Instruments at Fair Value, drawn up by the Market & Financial Risk Management structure.

The "Guidelines for Valuation of Financial Instruments at Fair Value", once a favourable opinion has been given by the Group Financial Risks Committee, are revised and approved at least on an annual basis by the Board of Directors, with the support of the Risks and Sustainability Committee. The "Rules for Valuation of Financial Instruments at Fair Value" are reviewed, revised and approved at least on an annual basis by the Group Financial Risks Committee, which is specifically delegated to do so by the Management Bodies, and which also reviews material changes and updates proposed by Market & Financial Risk Management.

The "Rules for the measurement of unlisted equity investments", drawn up by Group Shareholdings and approved by the Group Financial Risks Committee, govern the fair value measurement of unlisted equities and financial instruments with unlisted equities as their underlying.

IFRS 13, which harmonises the measurement rules and the related disclosure, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e. not as part of the compulsory liquidation or a below-cost sale) as at the measurement date. Fair value is a market measurement criterion, not specifically referring to a single Bank. Underlying the definition of fair value is the assumption that the Bank is carrying out normal operations, without any intention of liquidating its assets, significantly reducing the level of operations or carrying out transactions at unfavourable conditions.
The Bank measures the fair value of an asset or liability by adopting the assumptions that would be used by market participants when pricing an asset or liability, presuming that they act with a view to satisfying their own economic interest in the best way possible. Measurement at fair value presumes that the asset is sold or the liability transferred:
– in the principal active market for the asset or liability;
– in the absence of a major market, in the most advantageous active market for the asset or liability.
The Bank is not required to conduct an exhaustive study of all possible markets to identify the major market or, in the absence of the major market, the most advantageous market, but must take into account all the reasonably available information. If there is no evidence to the contrary, the market that the entity normally operates in to sell the asset or transfer the liability is assumed to be the major market or the most advantageous market, if there is no major market. The Bank considers the principal market of a financial asset or liability to be the market in which the Bank generally operates.

In accordance with IFRS 13, the Bank considers an active market to be a market where transactions in an asset or liability occur with sufficient frequency and volume to provide useful information for determining price on an ongoing basis. More specifically, a financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

In specific cases, governed by the Guidelines and Rules for Valuation of Financial Instruments at Fair Value, and despite being quoted on regulated markets, relevant research is carried out to verify the significance of the official market values. In the event of a significant reduction in the volume or level of operations compared to normal operations for the asset or liability (or for similar assets or liabilities) highlighted by a number of indicators (number of transactions, limited significance of market prices, significant increase in implicit premiums for liquidity risk, widening or increase of the bid-ask spread, reduction or total lack of market for new issuances, limited publicly-available information), analyses of the transactions or of the quoted prices must be carried out. A reduction in the volume or the level of activity alone may not indicate that the price of a transaction or the quoted price does not represent fair value or that the transaction in that market is not ordinary. If an entity determines that a transaction price or quoted price does not represent fair value (e.g., non-ordinary transactions) an adjustment to the transaction prices or listed prices is required if the entity uses those prices as the basis for fair value measurement and that adjustment may be significant with respect to the fair value as a whole.

The fair value of financial instruments

The presence of quoted prices in an active market represents the best evidence of fair value and these prices are therefore the quoted prices to be used on a priority basis for the measurement of financial assets and liabilities. If there is no active market, the fair value is determined using valuation techniques aimed, ultimately, at establishing the price the product would have had, at the measurement date, in an arm's length exchange motivated by normal business considerations.

The choice of the above measurement methods is not optional, because they must be applied in hierarchical order: the availability of a price stated in an active market prevents the use of one of the other measurement approaches.

Inputs of the valuation techniques

The inputs are defined as the assumptions that market participants would have used to determine the price of the asset or the liability, including assumptions regarding risk, such as, for example, the risk relating to a particular valuation technique used to measure fair value or the risk relating to the inputs of the valuation technique. The inputs may be observable or unobservable.
Observable inputs are those produced using market data, such as publicly available information on operations or actual events, which reflect the assumptions that market participants would use in determining the price of the asset or the liability.
Unobservable inputs are those for which no market information is available and that are produced using the best available information regarding the assumptions that market participants would use to determine the price of the asset or the liability.

Fair value hierarchy

IFRS 13 establishes a fair value hierarchy in which inputs to fair value measurement techniques are divided into three levels. That hierarchy assigns top priority to (unadjusted) quoted prices on active markets for identical assets or liabilities (level 1 data) and the lowest priority to unobservable inputs (level 3 data). Specifically:

– fair value level 1 applies when an instrument is measured directly on the basis of (unadjusted) quoted prices on active markets for identical assets or liabilities to which the entity has access on the measurement date;
– fair value level 2 applies when a price has not been found on an active market and the instrument is measured according to valuation techniques, on the basis of observable market parameters, or of the use of parameters that are not observable but are supported and confirmed by market evidence, such as prices, spreads or other inputs (the comparable approach);
– fair value level 3 applies when fair value is measured using various inputs, not all of which are directly drawn from observable market parameters, and which thus entail estimates and assumptions by the valuator.

If various inputs are used to measure the fair value of an asset or liability, classification in the hierarchy is determined on the basis of the lowest-level input used in measurement. When assigning a level in the fair value hierarchy, priority is given to the inputs of the valuation techniques rather than the valuation techniques themselves.
The attachment "Fair Value Hierarchy Rules" to the "Rules for Valuation of Financial Instruments at Fair Value" defines, with regard to the respective financial instrument valuation models/inputs, the basic rules that market inputs must comply with in order to be classified as Level 2, and the significance thresholds which, when overrun, result in the assignment of Level 3.

For level 1 financial instruments, the current bid price is used for financial assets and the current ask price for financial liabilities, struck on the principal active market at the end of the reference period.
For financial instruments with a scarcely significant bid-ask spread or for financial assets and liabilities with offsetting market risks, mid-market prices are used (again referred to the last day of the reference period) instead of the bid or ask price.
The following are considered level 1 financial instruments: contributed bonds (i.e. bonds for which the Composite Bloomberg Bond Trader is available from the Information Provider Bloomberg, or, alternatively, a price on the EuroMTS circuit, or at least three prices available from the Information Provider Bloomberg), contributed equities (i.e., quoted on the official market of reference), contributed UCITS funds (covered by EU directives), spot exchange rates, and derivatives for which prices are available on an active market (for example, exchange traded futures and options) and UCITS hedge funds.
Conversely, all other financial instruments that do not belong to the above-described categories or that do not have the contribution level defined by the Guidelines and Rules for Valuation of Financial Instruments at Fair Value are not considered level 1 instruments.

When no listing on an active market exists or the market is not functioning regularly, that is when the market does not have a sufficient and continuous number of trades, and bid-ask spreads and volatility that are not sufficiently contained, the fair value of the financial instruments is mainly determined through the use of valuation techniques whose objective is the establishment of the price at which, in an orderly transaction, the asset is sold or the liability transferred between market participants, as at the measurement date, under current market conditions.
In the case of instruments classified as level 2, the valuation is based on prices or credit spreads presumed from the official listing of instruments which are similar in terms of risk factors, using a given calculation methodology (valuation model). The use of this approach requires the identification of transactions on active markets in relation to instruments that, in terms of risk factors, are comparable with the instrument to be measured. Level 2 calculation methodologies reproduce prices of financial instruments quoted on active markets (model calibration) and do not contain discretional parameters – parameters for which values may not be inferred from quotations of financial instruments present on active markets or fixed at levels capable of reproducing quotations on active markets – that significantly influence the final measurement.
The following are measured using level 2 input models:

– bonds without official quotations expressed by an active market and whose fair value is determined through the use of an appropriate credit spread which is estimated starting from contributed and liquid financial instruments with similar characteristics;
– loans whose fair value is determined through the use of an appropriate credit spread which is estimated starting from market data of financial instruments with similar characteristics;
– derivatives measured through specific models, fed by input parameters (such as yield, foreign exchange and volatility curves) observed on the market;
– structured credit products (including, among others, ABS – Asset Backed Securities, CLO HY - Collateralized Loan Obligations High Yield and CDO - Collateralized Debt Obligations) for which significant prices are not available and whose fair value is measured using valuation techniques that consider parameters that can be gathered from the market;
– non-contributed equity instruments measured based on direct transactions, that is significant transactions on the stock registered in a time frame considered to be sufficiently short with respect to measurement date and in constant market conditions, or using the "relative" valuation models based on multipliers;
– non-UCITS hedge funds, provided the Level 3 instruments do not exceed a set threshold.

In case of instruments classified as level 3, the calculation of the fair value is based on valuation models which consider input

parameters not directly observable on the market, therefore implying estimates and assumptions on the part of the valuator. In particular, the valuation of the financial instrument uses a calculation methodology which is based on specific assumptions of:
– the development of future cash flows, which may be affected by future events that may be attributed probabilities presumed from past experience or on the basis of the assumed behaviour;
– the level of specific input parameters not quoted on active markets, for which information acquired from prices and spreads observed on the market is in any case preferred. Where this is not available, past data on the specific risk of the underlying asset or specialised reports are used (e.g. reports prepared by Rating agencies or primary market players).

The following are measured using this method:
– some transactions in derivatives, bonds, or complex structured credit instruments measured using level 3 inputs;
– hedge funds in which the level 3 assets are above a set limit;
– private equity funds, private debt funds, real estate funds and closed-end funds resulting from sales of non-performing loans valued at NAV (Net Asset Value), with possible discounts;
– shareholdings and other equities measured using models based on discounted cash flows or using equity methods;
– loans whose fair value is determined through the use of a credit spread that does not meet the criteria to be considered level 2;
– loans with underlying equity risk, whose fair value is calculated based on the discounting of expected contractual flows.

The transfer of fair value levels of financial assets and financial liabilities measured at fair value on a recurring basis occurs, as established by IFRS 13, as follows: the transfer between levels 2 and 3 occurs upon a change in the observability or significance of an input to the measurements; and the transfer between levels 1 and 2 or 3 occurs upon a change in the availability of prices in an active market.
For OTC derivatives, the initial choice of the level of fair value hierarchy depends on the degree of observability and significance of the parameters used to determine the risk-free component. The calculation of the counterparty/issuer default risk component may result in a transfer to level 3 when the current exposure is positive for the bank and the counterparty is in non-performing loan status, or when the determination of default risk requires unobservable inputs and the bilateral credit value adjustment (bCVA) component is significant when compared to the overall fair value of the netting set, or when the counterparty's sensitivity to downgrading is significant when compared to the overall fair value of the netting set.
For non-contributed equity instruments, the change of the level occurs:
– when inputs observable on the market (e.g., prices defined based on comparable transactions on the same instrument between independent and informed counterparties) have become available during the period. In this case, Intesa Sanpaolo reclassifies from level 3 to level 2;
– when the directly or indirectly observable elements used as the basis for the valuation cease to exist, or when they are no longer up to date (e.g., comparable transactions that are no longer recent or multiples that are no longer applicable). In this case, Intesa Sanpaolo uses valuation techniques that use unobservable inputs.

Valuation of financial instruments

The valuation of financial instruments entails the following phases:
– identification of the sources for valuation: for each asset class, the Guidelines and Rules for Valuation of Financial Instruments at Fair Value establish the processes that are necessary to identify market parameters and the manner according to which such data must be extracted and used;
– validation and processing of input data for periodic valuation: this stage consists of the accurate verification, at each accounting measurement date, of the market parameters used (verifying the integrity of data contained on the proprietary platform with respect to the source of contribution), reliability tests (consistency of each single figure with similar or comparable figures) and verification of concrete application means;
– certification of the measurement methods: this phase is aimed at verifying the consistency and the adherence of the various measurement techniques used with current market practice, at highlighting any critical aspects in the measurement models used and at determining any adjustments necessary for measurement;
– monitoring and revision of the measurement methods: the monitoring consists of the ongoing checking of the adherence to the market of the valuation model and enables the timely discovery of any gaps, in order to initiate the necessary checks and measures.

Identification, certification and processing of the input data for the measurements

The fair value calculation process and the need to distinguish between products which may be measured on the basis of effective market quotes rather than through the application of measurement techniques, highlight the need to establish univocal principles in the determination of market parameters. To this end, the Guidelines and Rules for Valuation of Financial Instruments at Fair Value establish the processes needed to identify the market parameters, the contribution sources considered appropriate and how the data must be received (cut-offs) and used for the measurement of financial instruments held for any purpose in the proprietary portfolios of the Parent Company and its subsidiaries. The same sources are used in measurements carried out for third parties under Service Level Agreements, entered into in advance. The adequacy of the input data for the measurements is guaranteed by the respect of reference requirements, which are based on comparability, availability and transparency of the data, or the possibility of extracting the figure from one or more info providing systems, measuring the contribution bid-ask, and lastly, for OTC products, verifying the comparability of the contribution sources.
The use of all market parameters in Intesa Sanpaolo is subordinated to their certification by Market & Financial Risk Management, in terms of specific controls (verifying the integrity of data contained on the proprietary platform with respect to the source of contribution), reliability tests (consistency of each single figure with similar or comparable figures) and verification of concrete application means.

Certification of measurement methods

The measurement methods used by the Intesa Sanpaolo Group are certified by IMI CIB Risk Management, with the involvement of all relevant structures. The purpose of the certification is to verify the consistency of the methods with current market practice, to highlight any problems or limitations, and to determine any fair value adjustments, in accordance with the applicable regulations. The certification process considers all aspects of the measurement method (basic assumptions, mathematical derivation, any approximations, numerical algorithms used, inputs and outputs) but also all contextual elements that are relevant to the management, including the characteristics of the associated products (payoffs, early termination clauses, etc.), any ancillary agreements (e.g. netting or collateral agreements), the market where the products are traded, and how they are used by end users (e.g. precision vs. performance, calculation of risk measures, etc.). These aspects are subject to qualitative and quantitative analysis and are duly reported in the internal documentation.
The possibility of independent validation issued by high standing financial service companies is also envisaged in highly-complex cases and/or in presence of market turbulence (market dislocation).
At the end of the certification process, the measurement method is recorded in the Rules for Valuation of Financial Instruments at Fair Value.

Monitoring and review of measurement methods

As required by the applicable regulations, the measurement methods used are subject to ongoing monitoring of their performance with respect to the evolution of financial instruments, markets and methodological innovations developed by the scientific community, in order to ensure their continuous alignment to the market, promptly highlight any inadequacies and initiate the necessary checks and actions. The Rules for Valuation of Financial Instruments at Fair Value detail all elements considered for the periodic monitoring and revision of the measurement methods. The functions involved in the monitoring process are the same as those involved in the process of certification of the measurement methods mentioned above and in the IPV process governed by the Guidelines and Rules on Independent Price Verification.

Valuation risk: fair value adjustments

The Bank defines valuation risk as the risk of losses arising from the valuation uncertainty for the fair value exit price of financial instruments, due to any limitations of the measurement techniques used or particular market conditions.
The main measure of the valuation risk associated with a financial instrument are the fair value adjustments, which are designed to take into account the valuation uncertainty or the difficulty in the disposal of specific financial positions, and may relate to a single financial instrument or to the net position for a particular risk factor. The adjustments may be calculated as add-ons to the valuation or included directly in the valuation. They are regularly reviewed, also considering market trends, or the introduction of new liquid instruments, different calculation methodologies and, in general, methodological advances which may also lead to significant changes in measurement methods chosen and their implementation.
In particular, the Bank envisages fair value adjustments for the following categories of valuation uncertainty:

– uncertainty of input data: any valuation uncertainty related to the input data for the valuation (whether mid, bid or ask) is measured with respect to temporary or structural conditions on the markets or in relation to the size of the values held (in the case of concentration), and where necessary a fair value adjustment is made, quantifying the consequent impact on the valuations;
– illiquidity of the underlying positions or risk factors: similarly to the case above, the market bid-ask spread is measured and, where necessary, a fair value adjustment is made, quantifying the consequent impact on the valuations;
– model risk: this is based on the identification and use of variants of the same model or alternative models, with which to carry out comparison analyses aimed at quantifying the variability of the valuations (in particular any directionality of the price when the model changes) and the behaviour of the model in various market scenarios (stress tests). The quantification of the fair value adjustment is based, where possible, on easily comprehensible and measurable financial variables (e.g. vega, delta, correlation shift). This category includes transactions involving ESG contractual clauses that condition cash flows on the achievement of environmental, social or governance objectives by the counterparty. If these clauses are favourable to the counterparty, a prudential fair value adjustment is made by considering the most unfavourable scenario for the Bank;
– counterparty and funding risk: counterparty and funding risks, collectively referred to as XVA, include Bilateral Credit Value Adjustment (bCVA) and Funding Value Adjustment (FVA). The bCVA takes account of the counterparty risk premium associated with the possibility that the counterparties may not honour their mutual commitments (for example in the event of bankruptcy). This component derives, in turn, from two components: the Credit Value Adjustment (CVA, negative) and the Debt Value Adjustment (DVA, positive), which consider, respectively, the scenarios where the Counterparty goes bankrupt before the Bank (and the Bank has a positive exposure towards the Counterparty), and vice versa the scenarios where the Bank goes bankrupt before the Counterparty (and the Bank has a negative exposure towards the Counterparty). The Funding Value Adjustment (FVA, negative), on the other hand, takes into consideration the funding risk premium, connected to the costs of funding the cash flows (coupons, dividends, collateral, etc.) generated by the Bank's overall OTC derivatives portfolio. The calculation of the XVAs depends on the overall exposure between the two counterparties, calculated using techniques for simulating the underlying risk factors of the transactions considered, taking into account any counterparty risk mitigation arrangements (in particular netting and collateralisation agreements), as well as any contractual clauses. The calculation of the XVAs also depends on the Loss Given Defaults (LGDs) based on the estimated value of the expected recovery in the event of counterparty default, and the probability of counterparty default (PD). LGDs and PDs are obtained from credit default swap market quotes or are based on internal estimates by sector/rating used for credit risk. In addition, the FVA calculation is based on a funding curve representative of the best market counterparties that the Bank could renegotiate transactions with, in accordance with the most IFRS 13 advantageous market principle, as there is currently no real main market for these transactions.

The management process for fair value adjustments is formalised in the Guidelines and Rules for Valuation of Financial Instruments at Fair Value and the Rules for the Valuation of Unlisted Equity Investments with appropriate calculation methodologies on the basis of the different configurations of the points set out above, and is carried out in the most objective, consistent and systematic manner possible by IMI CIB Risk Management and Group Shareholdings. The introduction and release of the fair value adjustments depend on the factors described above. Such processes are a combination of quantitative

elements that are rigidly specified and qualitative elements, valued based on the different configuration over time of the risk factors which generated the adjustments. Thus, the estimates subsequent to initial recognition are always guided by the mitigation or elimination of said risks.
For new products, the decision to apply the adjustments is taken during the new product approval process, upon proposal by IMI CIB Risk Management.
The application of the adjustments is subject to an authorisation procedure that, above a certain warning threshold defined for specific cases, involves both the area of the Chief Risk Officer and the Manager responsible for preparing the Company's financial reports.

A.4.1 Fair value levels 2 and 3: valuation techniques and inputs used

The sections below provide a summary of the information, by type of financial instrument (securities, derivatives, structured products, hedge funds, and loans), on the valuation models used.

I. Valuation of non-contributed debt securities

The fair value of non-contributed debt securities is measured using the income approach, i.e. by calculating the present value of expected future cash flows using an appropriate risk premium represented by the credit spread, identified on the basis of contributed and liquid financial instruments with similar characteristics. The sources used for this measurement are the following:

– contributed and liquid debt securities of the same issuer;
– credit default swaps on the same reference entity;
– contributed and liquid securities of an issuer with the same rating and belonging to the same sector.

In any case, the different seniority of the security to be priced is considered with regard to the issuer's debt structure.
In the case of Italian public issuers, a rating/maturity matrix is defined on the basis of the spread levels on government issues, to which the spreads among the various rating/maturity classes with respect to public issues (regions, provinces, municipalities, government entities) are applied.
When applying the spread for the pricing of the non-contributed instrument, if the estimated 'fair' credit curve does not respect the same characteristics of the instrument, correction factors are considered.
Also, for bonds that are not quoted on active markets, an extra spread, estimated based on the bid/ask spread recorded on the market, is added to the "fair" credit spread component, to take account of the higher premium demanded by the market compared to similar contributed securities.
Finally, if the instrument includes an optional component, a further adjustment is made to the spread by adding a component designed to capture the hedging costs of the structure and any illiquidity of the underlying assets. This component is calculated based on the type of option, using the corresponding valuation models for derivatives mentioned below.

Similarly, Intesa Sanpaolo's credit spread for the Bank's financial liabilities designated at fair value is determined and measured based on the bonds issued by the Parent Company, with regular, periodic coupons, maturity beyond one year and quoted on an active market in compliance with IAS/IFRS. The implicit credit rating is determined on the basis of market prices and subsequently adjusted through interpolation models which generate credit spread curves by type of coupon, maturity and subordination level. Similarly, the issued certificates are measured at fair value by breaking them down into the following two components: an issued bond, measured as described above, and an option component, measured using the corresponding derivative pricing models described below.

II. Valuation of loans

Loans are measured at fair value through contributions from info providers when available or by calculating the present value of expected future cash flows using an appropriate credit spread, identified starting from the following sources:

– contributed loans on the market;
– sector/rating-specific loan market curves;
– contributed securities of the same issuer;
– credit default swaps on the same reference entity.

In any case, the different seniority of the instrument to be priced is considered with regard to the issuer's debt structure.
When applying the spread for the pricing of the loan, if the estimated 'fair' credit curve does not respect the same characteristics of the instrument, correction factors are considered.
Moreover, where, in determining the credit spread of the loans, reference is made to the curves created through bonds, a Bond – Loan basis must be applied, to capture the different structure of the market, if any, and the different type of loan.
In order to consider the premium required by the market for illiquid and/or structured instruments, several adjustments are applied to the credit spread.
Loans with an underlying unlisted equity risk (which include financial instruments that, pursuant to IAS 32, cannot be classed as equity, e.g. loans convertible into shares) are usually measured by discounting the cash flows provided for by the contract. Since these are debt securities, the cash flows are normally discounted using a rate consisting of the sum of: a risk free rate, a spread deriving from the CDS or measured on listed securities or similar disbursements, and any additional risk premium.
In the case of non-performing loans, the fair value is determined based on the recoverable amount of the position. This estimate is made taking into account the contractual elements that characterise the loan and may involve, for example, the valuation of the cash flows from the sale of the real estate pledged as collateral or the valuation of any capital instruments that may be acquired following the introduction of an equity conversion clause for the position.

III. Valuation of OTC derivatives

Derivatives, if not traded on regulated markets, are Over The Counter (OTC) instruments, which are bilaterally exchanged with market counterparties and are measured through specific measurement methods and input parameters (such as, for example, interest rate, foreign exchange and volatility curves) observed on the market and subject to the certification and monitoring illustrated above.

The fair value of an OTC derivative is calculated considering the risk premium related to the various underlying risk factors. Specifically, there are two relevant cases, according to whether or not the instrument is subject to collateralisation agreements (CSAs) aimed at mitigating the counterparty and funding risk:

– for CSA transactions with characteristics that reduce counterparty and funding risk to a negligible level, the fair value is calculated according to the non-arbitrage principle, by including the market risk premium related to the risk factors underlying the contract (e.g. interest rates, volatility, etc.), and, in the most significant cases, using the rate of remuneration for the collateral as the discount rate for the future cash flows;
– for transactions without CSAs, or with CSAs with characteristics that do not reduce the counterparty and funding risk to a negligible level (e.g., One Way CSAs, or with non-negligible limits or minimum transfer amounts), the fair value of the instrument may be stated, under appropriate circumstances, as the sum of the reference (or base) value, equal to the price of the corresponding collateralised instrument, and several additional valuation components related to the counterparty and funding risk premium, referred to jointly as XVA (see "Valuation risk: fair value adjustments").

In view of the number and complexity of the OTC derivatives, a systematic reference framework has been developed which represents the common elements (calculation algorithms, processing models, market data used, basic assumptions of the model) that are used for their measurement.

The table below illustrates the main methods used to measure OTC derivatives based on the category of underlying asset.

Underlying class	Valuation models	Market data and input parameters
Interest rate	Net Present Value, Shifted-Black, Shifted-SABR, Libor Market Model, Hull-White, Bivariate log-normal, Hagan exact formula for CMS	Interest rate curves (deposits, FRA, Futures, OIS, swap, basis swap, CMS), cap/floor/swaption option volatility, correlation between interest rates
Foreign exchange rate	Net present Value FX, Garman-Kohlhagen, Mixture, Stochastic Local Volatility, Local Volatility	Interest rate curves, spot and forward FX curves, FX volatility, "quanto" volatility and correlations
Equity	Accrual, Net present Value Equity, Generalised Black-Scholes, Heston, Local Volatility, Jump Diffusion	Interest rate curves, underlying asset spot rate, expected dividends, underlying asset volatility and correlation between underlying assets, "quanto" volatility and correlations
Inflation	Inflation NPV, Inflation SABR, Inflation Jarrow-Yildirim	Nominal and inflation interest rate curves, interest and inflation rate volatility, seasonality ratios of consumer price index, correlation between inflation rates
Commodity	Net present Value Commodity, Black-Scholes Commodity, Independent Forward, Local Volatility, 2-Factors Jump Diffusion	Interest rate curves, spot rate, forwards and futures of underlying assets, underlying asset volatility and correlation between underlying assets, "quanto" volatility and correlations
Loans	Net present Value, CDS Option (or log-normal model), Contingent CDS	Probability of default, Recovery rate, credit index volatility.

As envisaged by IFRS 13, in determining fair value, the Bank also takes into account the effect of non-performance risk. This risk includes changes in the counterparty credit rating and changes in the issuer's own credit risk.

IV. Valuation model for structured credit products

With regard to asset-backed securities (ABSs), if significant prices are not available, valuation techniques are used that take into account parameters that can be gathered from an active market (level 2 inputs) or, where parameters cannot be observed, estimated parameters (level 2 or 3 inputs, where immaterial or material).

In this case, the cash flows are obtained from infoproviders or specialised platforms, where available, or are taken from the business plan of the transaction, supplemented with periodic reporting, such as the case of Non-Performing Loans (NPLs) and Unlikely to Pay (UTP); the spreads are gathered from prices available on the market/market info provider, further strengthened by a qualitative analysis relative to the performance of the underlying assets presumed from periodic investor reports and aimed at highlighting structural aspects that are not (or not fully) encompassed by the analyses described above, relating to the actual future ability to pay the expected cash flows and analyses of relative value with respect to other similar structures.

In the case of securitised high-yield loans to European corporate borrowers (HY CLO), valuation techniques call for calculation of the net present value of the expected cash flows, determined through specialised platforms, discounted using market spreads. When modelling expected future flows, account is taken of all contractual aspects of the HY CLOs that may influence the waterfall, i.e. the distribution of cash flows from the collateral on the notes.

After this valuation, credit analyses on underlying assets are fine-tuned to incorporate further valuation elements not included in the quantitative models. In particular, a Qualitative Credit Review is provided for and entails an accurate analysis of credit aspects referred to the specific structure of the HY CLO and to the collateral present. This is to identify any present or future weaknesses which emerge from the characteristics of the underlying assets, which could have been missed by rating agencies and as such not fully considered in the valuations described in the previous point.

V. Valuation of non-contributed equities

Level 2 equities include:

– equities measured based on direct transactions, that is significant transactions on the stock registered in a time frame considered to be sufficiently short with respect to measurement date and in constant market conditions;
– equities measured using relative methods, based on multipliers: implied multiples in transactions in comparable listed or unlisted companies, within a time frame deemed sufficiently short with respect to the time of measurement and under constant market conditions (M&A multiples) or implicit multiples in the stock market prices of a sample of comparable companies (stock market multiples).

Level 3 equities for which the "relative" models described above are not applicable in significant terms, and, therefore, "absolute" valuation models are used, include:

– equities for which analytical models based on flows are used, which determine the value through estimates of the cash or income flows that the company is expected to generate over time, discounted using an appropriate rate based on the level of risk of the instrument;
– equities measured based on net worth criteria such as NAV or Adjusted Net Asset Value (ANAV), which estimates the fair value of the various components of the assets of the investee.

Any values deemed representative of the fair value of the equity instrument deriving from contractual clauses (for example, options) are classified in level 2 or 3 of the fair value hierarchy, according to the observability of the inputs used in the valuation. Specifically, if the negotiation of the clause resulted in strike prices or pre-defined algorithms and multiples, the instrument is classified in level 2.

The cost criterion as estimate of fair value is used to a lesser extent, where none of the previous methods are applicable due to lack of sufficient information, and in the cases where there is a wide range of possible fair value measurements and it is not possible to identify the most appropriate value among these.

This case also includes Equity Instruments which, in accordance with IAS 32, have the characteristics to be considered as equities.

VI. The valuation of hedge funds

The fair value of a hedge fund corresponds to the Net Asset Value (NAV) provided by the fund administrator, to which an adjustment can be applied, deriving from a measurement process aimed at capturing the main risk factors that the management of the funds is subject to, which consist of the following two types:

– counterparty (broker) risk, i.e. the risk that the assets of the fund are exposed to when a single service provider is entrusted with prime brokerage or custodian activities, subject to the risk of default;
– illiquidity risk, i.e. the risk that the assets of the fund are illiquid due to the limited prices available or due to a lack of information on the assessment policies used by the fund.

These risks are assessed on the basis of the information contained in the documentation received periodically from the fund managers or administrators.

The fair value hierarchy level is Level 2, provided the Level 3 instruments do not exceed a set threshold.

VII. The valuation of private debt funds

For Private Debt Funds, the investment authorisation process involves an initial due diligence to verify the consistency between each fund's asset valuation policy and the Guidelines and Rules for Valuation of Financial Instruments at Fair Value. The fund is subsequently valued at NAV. The fair value hierarchy level is Level 3.

VIII. Valuation of closed-end private equity funds, real estate funds and closed-end funds resulting from sales of non-performing loans

Closed-end private equity funds are usually valued using the latest Net Asset Value approved by the asset management company (published half yearly or quarterly), adjusted solely to take into account events that have not yet occurred at the reference date of the NAV, such as:

– a material transaction on a portfolio company;
– the bankruptcy or liquidation of a portfolio company;
– the alignment of any listed assets to current prices;
– draw downs and distributions by the fund.

Closed-end real estate funds are valued using the last available Net Asset Value, adjusted for any subsequent call ups or distributions and, where considered necessary, applying a discount calculated using an internal model. Specifically, this model enables the calculation of a discount on the Net Asset Value based on five different factors: (i) the size of the asset management company that manages the fund; (ii) the number of subscribers; (iii) the fund's historical return; (iv) the fund's return for the period; and (v) the level of debt. These factors are calibrated differently based on the business model and the fund's resulting risk profile, distinguishing between core, value added and opportunistic funds.

With regard to closed-end funds resulting from sales of non-performing loans, where an information set is available that makes it possible to conduct an analysis of the business plan of the underlying positions, individually or by uniform cluster, to determine the fair value of the units of the fund, the Bank uses the support of an independent expert, who states in his/her report, that the fair value determined by the expert complies with the indications from the main regulators[411], discounts the cash flows taken from the business plan provided by the asset management company, possibly prudently adjusted also based on the results of second level controls, at a discount rate that considers the current market conditions for this specific asset class or for similar financial instruments.

Where it is not possible to apply the approach mentioned above, for each fund a comparison is made between the expected return of the fund and a benchmark rate, defined using a model that factors in various elements, such as: i) the fund's valuation

[411] See Bank of Italy/Consob/Ivass Document no. 8 "Treatment in the financial statements of sales without recourse of unlikely-to-pay loans in exchange for units of investment funds", published in April 2020.

policies, verifying whether they are compliant with criteria consistent with the definition of fair value pursuant to IFRS 13, ii) verification that there is an updated business plan and of the performance of the fund compared to the available business plan, iii) the characteristics of the fund's assets, iv) the level of the cost of funding on the market for issuing liquid instruments, v) the completeness and extensiveness of the information provided by the fund, and vi) the fund management methods. Where the expected return of the fund is higher than the defined benchmark rate, the NAV communicated by the asset management company is used as the fair value measure. Where, instead, the benchmark rate is higher than the expected return of the fund, the fair value is determined based on the NAV minus a discount, which takes account of the spread between the benchmark rate and the expected return of the fund and the average residual life of the fund (Weighted Average Life or WAL).

Valuation of financial assets and liabilities not measured at fair value on a recurring basis

Finally, for asset and liability financial instruments measured at amortised cost, whose fair value is determined solely for the purposes of disclosure in the notes to the financial statements, the following is noted:

– the fair value of the bonds is calculated using the methods described above;
– the fair value measurement of the other medium- and long-term asset and liability financial instruments is performed by discounting future cash flows using the discount rate adjustment approach, which requires credit risk factors to be taken into account in the discount rate for future cash flows;
– for short-term assets and liabilities, the book value is assumed to be a reasonable approximation of fair value

For more information see paragraph A.4.5.4.

As required by IFRS 13, the table below highlights, for financial assets and liabilities measured at level 3 fair value, quantitative information on the significant, unobservable inputs used in the fair value measurement.

(thousands of euro)

Financial assets/ liabilities	Valuation technique	Main non-observable input	Minimum value of range of changes	Maximum value of range of changes	Unit	Favourable changes in FV	Unfavourable changes in FV
Securities and loans	Discounting Cash Flows	Credit Spread	-4	3	%	224	-223
Structured securities and loans	JD model	JD parameters	-26	10	%	12	-39
ABSs	Discounting Cash Flows	Credit Spread	-2	3	%	372	-414
CLOs Cash	Discounting Cash Flows	Credit Spread	-6	8	%	191	-259
OTC derivatives subject to FV adjustment for CVA/DVA	CVA	Loss Given Default Rate (LGD)	-	100	%	-2,157	1,084
OTC derivatives subject to FV adjustment for CVA/DVA	CVA	Probability of default (PD) based on counterparty's internal rating	CCC	A	Internal rating	-76	32
OTC Derivatives - Equity Option	Black - Scholes model	Historical volatility	8	40	%	801	-496
OTC Derivatives - Equity Option	Marshall Olkin Model	Historical correlation	5	68	%	21	-18
Uncontributed Equity Securities	Net present value	Cost of Equity	-100	100	bp	216	-209
Uncontributed Equity Securities	Stock market multiples	Multiples	10	-10	%	55,952	-52,415
Uncontributed Equity Securities	Various	Carrying Amount/Net Asset Value	3	-3	%	10,607	-10,607
UCI units deriving from sales of non-performing loans and similar assets	Adjusted NAV on IRR Basis/Net Present Value	IRR benchmark / Cost of Equity	-100	100	bp	17,943	-22,376
UCI units deriving from sales of non-performing loans and similar assets	Net Asset Value	Net Asset Value	3	-3	%	19,258	-19,258
UCI units not deriving from sales of non-performing loans and similar assets	Net Asset Value	Multiples	10	-10	%	16,516	-16,447
UCI units not deriving from sales of non-performing loans and similar assets	Net Asset Value	Net Asset Value	1	-1	%	17,626	-17,626

A.4.2 Valuation processes and sensitivity

For a description of the valuation processes used by the Group for instruments measured at level 3 in a recurring and non-recurring manner, see paragraphs A.4.1 and A.4.5 respectively.

As required by IFRS 13, for the financial assets and liabilities measured at level 3 fair value, the following table lists the effects of a change in one or more significant non-observable parameters used in the valuation techniques adopted to determine the fair value. Note that only the total material effects at the end of the year are shown in the table.

Financial assets/liabilities	Non-observable parameters	Sensitivity (thousands of euro)	Change in non-observable parameter
FVTPL and FVTOCI securities and loans	Credit spread	-40	1 bp
FVTPL and FVTOCI securities and loans	JD parameters	-3	1%
FVTPL and FVTOCI securities and loans	Correlation	-9	1%
OTC Derivatives - Equity	Correlation between underlying equity baskets	-	10%
OTC Derivatives - Equity	Historical volatility	-233	10%
OTC Derivatives - Equity CPPI	Historical correlation	-6	10%

For tax credits held under the Hold to Collect and Sell and Other/Trading business models, which are initially recognised and subsequently measured at fair value, note that the fluctuations in fair value are mainly due to the trends in risk-free rates. Specifically, an increase (decrease) in interest rates of 1 basis point is estimated to correspond to a negative (positive) fluctuation of:

– 670 thousand euro for tax credits classified under the Other/Trading business model;
– 298 thousand euro for tax credits classified under the Hold to Collect and Sell business model.

A.4.3 Fair value hierarchy (transfers between the different levels)

A description of the policy for determining when transfers occur between the different levels of fair value hierarchy (see IFRS13, par. 95) is provided above (see "Fair value hierarchy").

A.4.4 Other information

In calculating the bCVA, the Bank considers the net positions in derivatives of each counterparty (see paragraph A.4.1 above for further details on the measurement of derivatives). For other cases, the Bank does not make use of the option provided in paragraph 48 of IFRS 13, which permits an entity "to measure the fair value of a group of financial assets and financial liabilities on the basis of the price that would be received to sell a net long position (i.e. an asset) for a particular risk exposure or paid to transfer a net short position (i.e. a liability) for a particular risk exposure in an orderly transaction between market participants at the measurement date under current market conditions".

General Independent Price Verification principles

The Bank governs and defines the independent price verification process through the Group Guidelines and Rules on Independent Price Verification, documents that are coordinated by Market & Financial Risk Management and applied by the Parent Company and all consolidated subsidiaries of the Banking Group.

The "Guidelines on Independent Price Verification", once a favourable opinion has been given by the Group Financial Risk Committee, are revised and approved at least on an annual basis by the Board of Directors, with the support of the Risks and Sustainability Committee. The level I and II "Rules on Independent Price Verification" are revised and approved at least on an annual basis by the Group Financial Risks Committee, which is specifically delegated to do so by the Management Bodies, and which also reviews material changes and updates proposed by Market & Financial Risk Management.

According to the provisions of Regulation (EU) 575/2013 (Capital Requirement Regulation – CRR), Article 4, par. 1.70 and Article 105, par. 8, the Bank governs the Independent Price Verification (IPV) process, which consists of the regular verification of the accuracy and independence of market prices or the data input in pricing models, carried out by an organisational unit independent from the business functions, at a frequency commensurate with the trading carried out and the nature of the market.

The Bank has set up an IPV process with 3 levels of control in line with the provisions of Bank of Italy Circular 285/2013 (Supervisory regulations for banks), incorporated into the Integrated Internal Control System, which requires the risk management processes to be incorporated in the processes and methods for valuing the company activities, also for accounting purposes.

Within the IPV, the level I, II and III control functions have the following main responsibilities:

– the level I control function participates in the definition of the related methodological framework and carries out the level I implementations and controls, reporting the results to the business function and the level II control functions;
– the level II control function defines the methodological and control framework, ensures alignment with current regulations and consistency between the IPV controls, accounting valuations and additional valuation adjustments (AVA) (carried out, respectively, on the basis of the Guidelines and Rules for Valuation of Financial Instruments at Fair Value and the Guidelines and Rules for Prudent Valuation of Financial Instruments at Fair Value) and supervises the level I controls and performs the level II controls;
– the level III control function carries out internal audit controls to identify breaches of procedures and regulations, as well as to periodically assess the completeness, adequacy, functionality (in terms of efficiency and effectiveness) and reliability of the organisational structure of the other components of the internal control system and the IT system at Bank level, at scheduled deadlines in relation to the nature and intensity of the risks.

The level I and II IPV controls are qualitative and quantitative controls and are distinguished according to the type of instruments subject to control. They are applied consistently to both the input data underlying the valuations and the valuations themselves, and ensure consistency between the management valuations and the accounting valuations carried out in the various systems. They are characterised by completeness and suitability of application, absence of overlaps, sequentiality and complementarity in execution. The IPV control instruments use, as far as possible, specific applications or IT procedures, which enable extensive data analysis on a daily basis. In particular:

– the level I controls are aimed at ensuring the validation of the market data entered into the systems and are based on an in-depth analysis of the data obtained from external providers. If the level I controls detect that certain thresholds have been exceeded for the data contained in the systems, or the data is not considered correct by the level I control functions, a comparison process (challenge) is activated with the involvement of the business function and the level II control functions, in line with the degree of complexity of the report;
– the level II controls are characterized by sequentiality and complementarity in execution with the level I controls and are designed to ensure alignment between management and accounting valuations, based on an in-depth analysis of consensus or counterparty data and, where these are not available, through the application of pricing models associated with the respective instruments.

The results of the IPV process are analysed, assessed and coordinated by the Financial Measurements Working Group, a technical body set up specifically for this purpose, with the aim of facilitating integration and comparison between the business functions and the control functions.

General prudent value principles

The framework of financial measurements is completed with the prudent valuation of financial instruments measured at fair value, which involves the calculation of additional valuation adjustments for prudential purposes, without impacts on the fair value calculated for accounting purposes in accordance with the IFRS.

The Bank governs and defines the prudent value measurement of financial instruments through the Group Guidelines and Rules for Prudent Valuation of Financial Instruments at Fair Value, prepared by Market & Financial Risk Management and applied by the Parent Company and all the consolidated subsidiaries of the Banking Group.

The "Guidelines on Prudent Valuation of Financial Instruments", once a favourable opinion has been given by the Group Financial Risks Committee, are revised and approved at least on an annual basis by the Board of Directors, with the support of the Risks and Sustainability Committee. The "Rules for Prudent Valuation of Financial Instruments" are revised and approved at least on an annual basis by the Group Financial Risks Committee, which is specifically delegated to do so by the Management Bodies, and which also reviews material changes and updates proposed by Market & Financial Risk Management.

In accordance with the provisions of Regulation (EU) 575/2013 (Capital Requirements Regulation – CRR), prudent valuation entails the calculation of specific additional valuation adjustments (AVAs) for the financial instruments measured at fair value, aimed at capturing different sources of valuation uncertainty and ensuring the achievement of a suitable level of certainty in the measurement of the positions. The total value of the AVAs is deducted from the Common Equity Tier 1 capital, without impacts on accounting fair values.

The Bank, in line with the criteria indicated in Delegated Regulation (EU) 101/2016, is subject to the application of the core approach for the determination of AVAs both at individual and at consolidated level for all the positions measured at fair value. In particular the following AVAs are considered:

– market price uncertainty: this reflects the uncertainty of the market prices, calculated at valuation exposure level;
– close-out costs: it reflects the uncertainty of the exit price calculated at valuation exposure level;
– model risks: it considers the valuation model risk which arises due to the potential existence of a range of different models or model calibrations, which are used by market participants, and the lack of a firm exit price for the specific product being valued;
– unearned credit spreads: it reflects the valuation uncertainty in the adjustment necessary according to the applicable accounting framework to include the current value of expected losses due to counterparty default on derivative positions;
– investment and funding costs: it represents the valuation uncertainty in the funding costs used when assessing the exit price according to the applicable accounting framework;
– concentrated positions: it reflects the uncertainty relating to the exit price of the positions defined as concentrated;
– future administrative costs: it considers administrative costs and future hedging costs over the expected life of the valuation exposures for which a direct exit price is not applied for the close-out costs AVAs for concentrated positions;
– early termination: it considers the potential losses arising from non-contractual early terminations of customer trades;
– operational risks: it considers the potential losses which may be incurred consequently to the operational risks connected to the valuation processes.

The prudent value corresponds to the exit price from the position with a level of certainty equal to 90%. Where possible, this value is determined on the basis of a distribution of exit prices observed on the market. In all the other cases, an expert-based approach is used, referring to the qualitative and quantitative information available.

The AVA value associated to the single position and to the single source of uncertainty in valuation thus corresponds to the difference between the prudent value and the fair value. The total AVA is obtained by aggregating the single AVAs, taking into account the corresponding weighting ratios.

The "Rules for Prudent Valuation of Financial Instruments" outline, for each AVA, the definition and interpretation, the scope of application, the input data and the detailed calculation method for each class of financial instrument.

FAIR VALUE OF REAL ESTATE AND VALUABLE ART ASSETS

Fair value of real estate assets

As extensively illustrated in the first part regarding the accounting policies, the Group has adopted the revaluation model as the basis of measurement for the owner-occupied properties accounted for according to IAS 16 and fair value for the investment properties accounted for according to IAS 40.

Measurement of real estate assets

The revaluation model applied to owner-occupied properties envisages that property and equipment, whose fair value can be reliably determined, is recorded at a revalued amount, equal to its fair value at the date of the revaluation, net of depreciation and any accumulated impairment losses.
For the properties held for investment, the Intesa Sanpaolo Group has chosen the fair value method, according to which, after initial recognition, all investment properties are measured at fair value.

Valuation approach

IFRS 13 defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".
The valuation approach has been defined on the basis of the business relevance and plan for the use of the properties, which consists of three main groups:

– "trophy assets", i.e. particularly prestigious properties used by management functions located in the main cities where the Bank is based or properties of particular historical and artistic interest because they are listed by the Ministry for Culture;
– "owner-occupied properties";
– "investment properties".

The properties are valued individually asset-by-asset without considering any discount, or premium, that may be agreed during commercial negotiations if all or part of the portfolio is sold in bulk or in lots.
The Intesa Sanpaolo Group has chosen to assign the valuation activity to professionally qualified external companies with an international structure, able to provide property valuations based on the RICS Valuation standards[412] which guarantee:

– determination of the value consistent with the fair value configuration indicated in the IAS/IFRS;
– compliance with the professional, ethical and independence requirements for experts, in line with the provisions of international and European standards.

To determine the value of the assets, the following valuation methods are used based on the characteristics of the asset and the conditions of the market of reference; the valuer determines the most suitable method for each individual property:

– The Discounted Cash Flow Method: the discounted cash flow method is based on the discounting (for a variable period based on the rental/occupational situation of the property and its subsequent optimisation) of the future net proceeds from the rental or sale of the property. At the end of this period, the value of the property is assumed to be the sale price obtained by capitalising the income of the last year at a market rate for investments similar to the object of the estimate or through a split sale. This method is used for the valuation of all the owner-occupied properties or real estate leased to third parties, located in Italy.
– Comparative or Market Method: the comparative or market method is based on the comparison between the assets examined and similar assets recently sold/purchased or offered on the same market or in competitive environments. This criterion is based on a comparison with properties that have recently been sold or offered on the open market and, if possible, have the same characteristics. In the absence of observations directly related to the property examined, cases are used that are as similar as possible to the property examined, making the necessary adjustments. This method, which also represents the basis for other valuation methods, can be adopted in particular for non-owner-occupied assets and/or, in any case, for unrestricted and available assets in Italy and abroad.
– Direct capitalisation income approach: the income approach is based on the current value of the potential market income of a property, obtained by capitalising the income at a market rate. This approach is applied mainly to owner-occupied properties abroad, where a prolonged stay within the building is envisaged.
– Investment Value (Worth): the Investment Value (Worth) is defined by the International Valuation Standard as: "the value of an asset to a particular owner or prospective owner for individual investment or operational objectives". This definition is consistent with the provisions of the latest edition of the "RICS Valuation - Global Standards" of the Royal Institution of Chartered Surveyors of the United Kingdom, where the Investment Value is defined as "the value of an asset to the owner or a prospective owner for individual investment or operational objectives".

The Investment Value is applicable to properties built by the entity or properties with a strong business relevance subject to significant investments for technological, construction and functional adaptation.
The Investment Value of these properties is determined on the basis of a 12+6 year plan for business use without break options, whose annual rent is determined by applying an appropriate gross rate of return to the amount of direct and indirect costs capitalised by the owner, including the costs of purchasing the land.
For the purposes of the valuation, where applicable and relevant, the assumptions include considerations relating to specific legislation (for example on safety, accessibility, and the removal of architectural barriers) as well as sustainability considerations connected to climate change factors and energy efficiency. In conclusion, based on the assessments conducted by the independent expert, it can be confirmed that at present the climate variables have not led to any significant impacts on the 2025 Financial Statements.

[412] Standards set out in the Royal Institution of Chartered Surveyors of the United Kingdom document "RICS Valuation – Global Standard" (also known as the "Red Book"): the updated version was issued in November 2024 and took effect on 31 January 2025.

Frequency of valuation

Revaluations must be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.
The frequency of revaluations depends upon the changes in fair values of the property and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required.
Specifically, based on the market trends, different valuation frequencies have been identified that, according to the characteristics of the assets and their location, are considered capable of capturing the significant changes in the value of the assets.
The following distinction is made for owner-occupied properties:

– for trophy assets, the revaluation is carried out by verifying the value through a scenario analysis (market trend analysis) every year and with a new appraisal every two years;
– for the other owner-occupied properties, the revaluation is carried out through scenario analysis (market trend analysis) every year and through a new appraisal every three years.

If the scenario analysis identifies significant changes (+/- 10%), specific and updated appraisals must be carried out to adjust the fair value of the asset to the valuations of the real estate market.
For investment properties, the value is determined on the basis of new appraisals each year.
Based on the rules mentioned above, in 2025, the investment properties, the owner-occupied properties classified as trophy assets, along with owner-occupied properties, for which the scenario analysis identified changes with respect to the threshold set, were subject to periodic valuation.

Scenario analysis

As part of the annual update of the fair value of the owner-occupied properties, in the years when a revaluation of the property is not envisaged, a scenario analysis (market trend analysis) is carried out using the best information sources available for the various countries in which the properties are located, in order to identify deviations, using databases, in the market values between the analysis period and the previous period.
In particular, for real estate located in Italy, the changes are defined using at least 3 different sources. The main source is that provided by the Italian Revenue Agency, based on the specific OMI (Real Estate Market Monitor) zones. The second publication source is Nomisma for which, for the related zoning, the same queries are conducted as those for the OMI (main database). Lastly, the third source is based on the analyses of the changes during the year surveyed in terms of the offers present on the real estate market.
Accordingly, the experts identify the annual deviations in rents and/or prices by related asset class for each property.
Real estate located abroad is grouped, for each country, into different clusters based on location and asset class. Specific market analyses are conducted based on local and national knowledge of the particular target real estate market.
The market study also takes account of the following macroeconomic drivers:

– analysis of economic data (unemployment rate, GDP per capita, inflation and consumer price index); these macroeconomic factors constitute the first economic analysis, supporting the real estate market forecasts;
– movement in average yield;
– movement in market rents;
– range of movement in unit values.

The above-mentioned market survey, together with a qualitative weighting of the macroeconomic key drivers is used to determine a range of percentage deviation from the last assessment carried out, which is compared with the target threshold set, identifying a synthetic percentage factor for each individual property, included in a single worksheet.
This activity is carried out close to the end of the year in order to produce a range of deviations within a reference threshold and to enable the timely planning of the updating of the specific appraisals for the properties whose deviation exceeds the threshold. The permitted variation threshold is +/-10%.
If the deviations identified exceed this threshold, a new valuation will be carried out before the end of the year.

Sensitivity of valuations

Just as for financial instruments, level 3 non-financial assets and liabilities measured at fair value for which, due to the valuation model used to determine the fair value, execution is possible, and whose results are significant, are subject to sensitivity analysis. The analysis essentially concerned the properties of the Parent Company Intesa Sanpaolo, which represent the Core perimeter of the Group's real estate assets.
It is noted that the sensitivity analysis was conducted by identifying the most important variables in the valuation model used to value the various classes of real estate, represented by the discounted cash flow method. Specifically, taking account of the trend recorded in the various asset classes of the real estate market and the parameters featuring greater volatility/variability, for owner-occupied properties, reference was made to the net capitalisation rate (yield) and the average medium/long-term inflation rate, while for investment properties, to the exit value. In compliance with the estimate assumptions applied to real estate assets, for the purpose of the analysis, variation ranges were used that were consistent with the potential trends in the market at the reporting date. For owner-occupied properties, a change of +/- 25 bps for the net capitalisation rate and a concurrent change of -/+20 bps for the inflation rate were assumed, in relation to which average deviations of fair value of +4.5% and -3.8% were recorded. For investment properties measured using the discounted cash flow method, a change of +/- 25 bps for the net capitalisation rate and a concurrent change of -/+ 20 bps for the inflation rate were assumed, for properties measured using the synthetic control method, a change of -/+ 5% of the exit value was assumed, in relation to which average deviations of fair value of +5.5% and -5.3% were recorded.

Fair value of valuable art assets

The Bank's valuable art assets are also valued using the revaluation model, which envisages that property and equipment, whose fair value can be reliably determined, is recorded at a revalued amount, equal to its fair value at the date of the revaluation.
Works of art included in the asset class "valuable art assets" are works of particular importance, recognised for their historic and artistic value by experts, due to their state of preservation, the historical importance of the artist, the importance of the work in terms of art criticism/history, illustrious origin, certain quality and attribution and the declaration of interest by the Italian government.

Valuation approach

The valuation is carried out by determining the value through external appraisals, entrusted to qualified independent experts.
These values are obtained from online databases such as Artnet and Artprice, which list over 100 million works of art and monitor the results of leading Italian and international auction houses. These are objective parameters that are compared with the market as a whole, in an analysis that also involves monitoring galleries and art fairs.
In particular, the factors considered for the fair value measurement include objective factors relating to the historical-critical-artistic value of the author, state of preservation, execution technique, size and quality of the artwork, importance of the artwork in the production by the artist, publication of the artwork in specialist catalogues, period of execution of the artwork, international exposure of the artworks by the artist, provenance, as well as factors which may change over time, depending on the evolution and tastes of the market.
Once these factors have been identified, the fair value is determined comparing them firstly with artworks similar to those examined (in terms of period of production/year, technique, size, type of subject and state of preservation), by the same artist and from the same period, if available (this is more feasible for modern and contemporary works) and, secondly, with works by artists or schools and areas that are close in style, philosophy and importance in the same historical period.
In addition to considering the trends in auction trading, starting from the most recent trading and also including unsold items in the analysis, which are a possible indicator of the loss of market value for the artwork/artist, the valuation also considers the current market interest in an artwork or an artist, measured by the number and quality of temporary exhibitions held in internationally important museum spaces and accompanied by specific publications.
The valuations also take into account any declarations of historical-artistic interest formally expressed by the Italian Ministry for Culture (commonly referred to as "notifications"), which tie part of the artworks in the collection to Italy's heritage and restrict their circulation to the country's territory, reducing the price obtainable on the international market.
The pricing is also influenced by the importance of the buyers/sellers.
The valuation approach is based on the monitoring of the objective market values of the artworks included in the category examined, which follows three methodological approaches:

– prudent basis, analysing the average values of a variety of different information sources, based on robust, updated and statistically representative databases: in a market of "unique" artworks, often without transactions for decades, this approach ensures the periodic identification of any outlier values and avoids following speculative trends;
– comparison, monitoring the transactions that have taken place at a global level in a variety of distribution channels, in order to avoid considering only certain forms of transaction and the related financial values: in a global market with global demand, this approach enables verification of the presence of any geographical arbitrage or specific appreciation/depreciation phenomena with potential impacts;
– recurrence, since it updates and monitors price trends over the shortest period of time that the specific features of the market allow, i.e. the half year: in a market in which there are no public trades monitored daily, the shortness of the measurement period ensures maximum attention and timeliness of any changes.

This approach is applied to all the "valuable art assets".

Frequency of valuation

For valuable art assets, the revaluation is carried out by means of an expert appraisal every three years. However, a scenario analysis is carried out annually to identify any appreciable changes in value in order to bring forward the valuation.
Based on the rules mentioned above, in 2025, the artworks, for which the scenario analysis identified changes with respect to the threshold set, were subject to valuation.

Scenario analysis

In order to identify and determine the changes in the market of the artworks being valued, market trends are monitored to detect signs of significant change that require appraisals to be made in advance with respect to the frequency established.
This monitoring is carried out on a two-fold basis:

– Monitoring of the market prices of the top artworks in terms of value held in Intesa Sanpaolo's collections, which represent 75% of the total value of the artworks included in the "valuable art assets" class, by verifying both the results of the main international auctions (which are based on a calendar of precise seasonal deadlines) and the reports of the two main world databases (Artprice and Artnet), whose analytics provide useful tools for monitoring prices;
– Monitoring the performance of the art market in general, to identify trends and changes with respect to Intesa Sanpaolo's "valuable art assets", verifying both the results of the main international auctions (which are based on a calendar of precise seasonal deadlines), and the reports of the two main world databases (Artprice and Artnet); since the works of many artists in the Intesa Sanpaolo's collection very rarely go up for auction due to the limited number of items left in the market, it is important to monitor the trend of similar artists or works; accordingly, the monitoring is not just limited to the works held and their artists, but also extends to the authors and artworks related to the same area, to take into account trend data.

If the annual monitoring identifies a potential, positive or negative, value deviation of more than 15% for individual artworks/collections of artists in Intesa Sanpaolo's collections and comparable on the basis of objective criteria (such as period of production/year, size, technique, period of production, etc.), the appraisals are commissioned according to the usual internal procedures in order to align the carrying amount.

Quantitative information

A.4.5 Fair value hierarchy

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

(millions of euro)

Assets / liabilities at fair value	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets measured at fair value through profit or loss	18,014	30,146	3,685	14,794	28,654	3,847
a) Financial assets held for trading	17,808	28,936	129	14,622	27,755	152
of which: Equities	*5,446*	-	-	*7,588*	-	-
of which: quotas of UCI	*438*	-	*34*	*440*	-	*37*
b) Financial assets designated at fair value	-	-	-	-	2	-
c) Other financial assets mandatorily measured at fair value	206	1,210	3,556	172	897	3,695
of which: Equities	*206*	*529*	*13*	*172*	*295*	*13*
of which: quotas of UCI	-	*193*	*3,433*	-	*200*	*3,482*
2. Financial assets measured at fair value through other comprehensive income	63,529	6,629	615	54,167	3,718	727
'of which: Equities	*637*	*124*	*560*	*542*	*99*	*637*
3. Hedging derivatives	-	6,803	-	-	5,782	-
4. Property and equipment	-	-	5,456	-	-	5,458
5. Intangible assets	-	-	-	-	-	-
Total	**81,543**	**43,578**	**9,756**	**68,961**	**38,154**	**10,032**
1. Financial liabilities held for trading	6,322	34,386	2	6,883	37,399	9
2. Financial liabilities designated at fair value	3,539	23,625	36	1,488	21,875	77
3. Hedging derivatives	-	2,193	-	-	3,741	-
Total	**9,861**	**60,204**	**38**	**8,371**	**63,015**	**86**

Pursuant to IFRS 13, par. 93(c), during 2025 transfers were carried out from level 1 to level 2 of assets for 177 million euro and of liabilities for 44 million euro, in addition to transfers from level 2 to level 1 of assets for 146 million euro, and of liabilities for 2,931 million euro. In particular:

- from level 1 to level 2
  - Financial assets measured at fair value through other comprehensive income under debt securities of 164 million euro;
  - Financial assets held for trading under debt securities of 13 million euro;
  - Financial liabilities held for trading under financial derivatives of 37 million euro;
  - Financial liabilities designated at fair value under debt securities of 7 million euro;
- from level 2 to level 1
  - Financial assets measured at fair value through other comprehensive income under debt securities of 133 million euro;
  - Financial assets held for trading under debt securities of 13 million euro;
  - Financial liabilities held for trading under financial derivatives of 206 million euro;
  - Financial liabilities designated at fair value under debt securities of 2,725 million euro;

The transfers between fair value levels are determined by the trends in the observability of prices or market data used to measure the financial instruments and by the materiality of the unobservable inputs.
The transition from level 1 to level 2 is a consequence of the disappearance of an active market, assessed by analysing the reliability and the reciprocal consistency of the available prices according to the provisions of the Rules for Valuation of Financial Instruments at Fair Value. Conversely, financial instruments for which a mark-to-model measurement is performed using inputs that can be observed on the market – classified, therefore, as level 2 – are transferred to level 1 when the existence of an active market is identified.

As at 31 December 2025, the impact of non-performance risk (Credit Value Adjustment and Debt Value Adjustment) in the determination of the fair value of derivative contracts amounted to a reduction of 77 million euro in positive fair value and an increase of 37 million euro in negative fair value.
The impact of the Funding Value Adjustment in reducing the fair value amounted to 20 million euro, equal to the cost of funding the cash flows generated by the Bank's overall portfolio of OTC derivatives.
Determining the quantity of those adjustments is irrespective of the effects of the correlated operational hedging strategies, where present.

With regard to assets, level 3 instruments, which allow for more discretion in fair value measurement, account for a limited portion of the portfolio, with an impact of 7.2% on total assets (8.6% as at 31 December 2024). The level 3 financial assets mainly relate to quotas of UCIs, of which, under Financial assets mandatorily measured at fair value, 163 million euro is represented by units of the Atlante Fund and the Italian Recovery Fund, alternative investment funds supporting Italian banks in their recapitalisation transactions and in the management of the bad loans in the sector.

Property and equipment measured at level 3 fair value includes real estate assets and valuable art assets, which represent 55.9% of the balance sheet assets at level 3 fair value.

Lastly, the caption "Other assets" of the Balance sheet, not directly included in the table above, comprised tax credits recognised and measured at fair value for 7.6 billion euro as at 31 December 2025, of which around 2 billion euro held under the Hold to Collect and Sell business model and 5.6 billion euro held under the Other/Trading business model. The fair value of those credits was determined with reference to the changes in interest rates. Given the specific characteristics of the credits in question, they have been assigned to level 3, also in line with the clarification note issued by the Bank of Italy on 24 July 2023 ("Clarification Note on credit risk").

A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (level 3)

(millions of euro)

	Financial assets measured at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Property 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. Initial amount	**3,847**	**152**	**-**	**3,695**	**727**	**-**	**5,458**	**-**
2. Increases	**437**	**36**	**-**	**401**	**23**	**-**	**228**	**-**
2.1. Purchases	69	13	-	56	2	-	77	-
2.2 Gains recognised in:	149	4	-	145	4	-	20	-
2.2.1. Income statement	149	4	-	145	-	-	4	-
- of which capital gains	*132*	*3*	-	*129*	-	-	*4*	-
2.2.2 Shareholders' equity	-	X	X	X	4	-	16	-
2.3. Transfers from other levels	18	14	-	4	8	-	-	-
2.4 Other increases	201	5	-	196	9	-	131	-
3. Decreases	**-599**	**-59**	**-**	**-540**	**-135**	**-**	**-230**	**-**
3.1. Sales	-92	-30	-	-62	-36	-	-6	-
3.2 Reimbursements	-63	-9	-	-54	-6	-	-	-
3.3 Losses recognized in:	-198	-8	-	-190	-8	-	-113	-
3.3.1. Income statement	-198	-8	-	-190	-	-	-108	-
- of which capital losses	*-189*	*-7*	-	*-182*	-	-	*-24*	-
3.3.2 Shareholders' equity	-	X	X	X	-8	-	-5	-
3.4. Transfers from other levels	-21	-2	-	-19	-44	-	-	-
3.5 Other decreases	-225	-10	-	-215	-41	-	-111	-
4. Final amount	**3,685**	**129**	**-**	**3,556**	**615**	**-**	**5,456**	**-**

The captions of transfers between levels of Financial assets measured at fair value through profit or loss refer to transfers from level 3, decreasing by 21 million euro and to level 3, increasing by 18 million euro.
The former are transfers of Financial assets held for trading from level 3 to level 2 involving financial derivatives for 2 million euro, in addition to transfers of Financial assets mandatorily measured at fair value from level 3 to level 2 involving loans for 19 million euro.
The latter are transfers of Financial assets held for trading from level 2 to level 3 involving debt securities for 1 million euro, financial derivatives for 7 million euro and loans for 6 million euro, in addition to transfers of Financial assets mandatorily measured at fair value from level 2 to level 3 involving debt securities for 3 million euro and loans for 1 million euro.

For Financial assets measured at fair value through other comprehensive income, there was a decrease in transfers from level 3 to level 2 of 44 million euro, of which 9 million euro for debt securities and 35 million euro for equities, offset by an increase in transfers from level 2 to level 3 for equity instruments of 8 million euro.
Transfers between levels of debt securities from level 3 to level 2 occurred as a result of the use, in the fair value measurement as at 31 December 2025, of parameters observable on the market without including discretionary parameters, and transfers from level 2 to level 3 occurred due to the absence of observable parameters, replaced by the use of discretionary parameters, in compliance with the Guidelines and Rules for Valuation of Financial Instruments at Fair Value.

The transfers from level 3 to level 2 of equities mainly relate to interests measured using methods based on direct transactions or similar methods or using methods based on multiples.

The level transfers of loans are attributable to the change in observability or the materiality of the input for the valuations. Level 2 fair value was determined using an appropriate credit spread identified starting with market evidence of financial instruments with similar characteristics, while fair value was assigned level 3 if input parameters were used that are not directly observable on the market or if the counterparties are impaired.

Transfers of derivative contracts are due to the changes in counterparty risk, considering that derivatives with non-performing counterparties are classified in level 3 of the fair value hierarchy.
Transfers between fair value levels were carried out in accordance with the guidelines described in paragraph A.4.3 - Fair value hierarchy.

During the year, the values were updated for the trophy assets, measured using the revaluation model, and investment property, measured at fair value. Moreover, based on the results of the scenario analysis, owner-occupied properties and valuable art assets were subject to appraisal, valued using the revaluation criterion. Those adjustments resulted in the recognition of gains and losses, both through profit and loss and equity, posted under sub-captions 2.2 and 3.3, respectively. Caption 3.3 also includes amortisation and depreciation.

Other increases and Other decreases of Financial assets mandatorily measured at fair value comprise payments made and the reimbursements received by the Bank, with no change in the quotas of UCIs held.
With regard to Property and equipment, the captions mainly include transfers of these assets from investment to operations and vice versa and the reclassification from Inventories to Non-current assets held for sale.

A.4.5.3 Annual changes in financial liabilities measured at fair value on a recurring basis (level 3)

(millions of euro)

	Financial liabilities held for trading	Financial liabilities designated at fair value	Hedging derivatives
1. Initial amount	**9**	**77**	**-**
2. Increases	**-**	**28**	**-**
2.1 Issues	-	-	-
2.2 Losses recognised in:	-	4	-
2.2.1. Income statement	-	4	-
- of which capital losses	-	*4*	-
2.2.2 Shareholders' equity	X	-	-
2.3 Transfers from other levels	-	24	-
2.4 Other increases	-	-	-
3. Decreases	**-7**	**-69**	**-**
3.1 Reimbursements	-	-	-
3.2. Repurchases	-	-42	-
3.3 Gains recognised in:	-5	-	-
3.3.1. Income statement	-5	-	-
- of which capital gains	*-5*	-	-
3.3.2 Shareholders' equity	X	-	-
3.4. Transfers to other levels	-2	-27	-
3.5 Other decreases	-	-	-
4. Final amount	**2**	**36**	**-**

The final amount of Level 3 Financial liabilities held for trading refer entirely to derivative contracts with a negative fair value, as do the transfers out from level 3, for a total of 2 million euro.
The Final amount of Financial liabilities designated at fair value level 3 refers to certificates which provide for partial or full redemption of the premiums paid on maturity, pursuant to Bank of Italy Communication of 21 October 2014 (certificates with guaranteed or protected capital), classified in that accounting category if issued after 1 January 2020.

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: fair value by level

(millions of euro)

Assets/liabilities not measured at fair value or measured at fair value on a non-recurring basis	31.12.2025				31.12.2024			
	Book value	Level 1	Level 2	Level 3	**Book value**	Level 1	Level 2	Level 3
1. Financial assets measured at amortised cost	456,353	52,107	255,329	134,775	446,605	42,718	262,638	131,253
2. Investment property	-	-	-	-	-	-	-	-
3. Non-current assets held for sale and discontinued operations	1,024	-	-	1,024	577	-	-	577
Total	**457,377**	**52,107**	**255,329**	**135,799**	**447,182**	**42,718**	**262,638**	**131,830**
1. Financial liabilities measured at amortised cost	540,651	53,373	457,497	32,373	519,596	59,609	428,002	33,928
2. Liabilities associated with non-current assets	45	-	-	45	5	-	-	5
Total	**540,696**	**53,373**	**457,497**	**32,418**	**519,601**	**59,609**	**428,002**	**33,933**

Financial assets and liabilities

For financial assets and liabilities not measured at fair value (loans and loans represented by securities, amounts due to customers and securities issued), the Bank measures fair value by calculating the present value of future cash flows at a rate that incorporates the estimate of the main risks and uncertainties associated with the financial instrument to be measured (discount rate adjustment approach).

In particular, the interest rate used to discount the future cash flows is determined by taking into account the following risk factors:

– interest rate risk, which represents the rate offered by the market for each unit of capital provided to risk-free counterparties;
– credit risk, which is the premium for having provided capital to counterparties with insolvency risk.

For fixed-rate instruments, the cash flows are those envisaged by the contracts. For floating-rate instruments, the future cash flows are determined based on forward rates, implicit in the zero-coupon interest rate curves observed at the various fixing dates and differentiated by indexation type.

The value of the risk premium (credit spread) is determined per individual position, through acquisition of the risk class (LGD) and rating (PD). These amounts, together with the average residual financial life, constitute the guideline for acquisition of the credit spread. For securities issued by Intesa Sanpaolo, the construction of the spread curve follows the rules set out in the "Rules for Valuation of Financial Instruments at Fair Value".

The following assumptions were used in determining the fair values indicated in table A.4.5.4:

– for loans represented by securities, the same rules envisaged for the fair value measurement of other categories of securities are used;
– for securities issued, the rules used are the same as those applied to securities under assets;
– the book value is calculated as the reasonable approximation of fair value for:
  - demand financial items (assets and liabilities) or financial items with an original maturity equal to or shorter than 12 months and residual maturity equal to or shorter than 12 months: in the table, the column corresponding to level 2 of the fair value hierarchy presents the short-term financial items and cash collateral for financial operations, while the column corresponding to level 3 of the fair value hierarchy presents demand loans;
  - non-performing assets which in the table are included in the column corresponding to level 3 of the fair value hierarchy.

A.5 – INFORMATION ON "DAY ONE PROFIT/LOSS"

Under IFRS 9, financial instruments shall be initially recognised at fair value. The fair value of a financial instrument at initial recognition is normally the "transaction price", i.e. the fair value of the consideration given or received in relation to, respectively, financial assets and liabilities. The fact that, upon initial recognition, the fair value of a financial instrument normally coincides with the transaction price is usually intuitively verifiable in the case of transactions falling under level 1 of the fair value hierarchy. Any differences between the price and the fair value are usually attributable to the so-called commercial margins, which are considered as not falling within the scope of Day One Profit (DOP). Therefore, commercial margins are taken to the income statement on the first subsequent measurement of the financial instrument. Also in the case of level 2, which is based on quotes that can be derived indirectly from the market (Comparable Approach), the fair value and the price often coincide upon initial recognition. Any residual differences, as in the previous case, are usually attributable to the commercial margins. With respect to level 3 instruments, no definite reference benchmark is available to compare the transaction price with, since there is more discretion in fair value measurement. For the same reason, the calculation of any commercial margin to be taken to the income statement is also difficult. In this event, the instrument is always initially recognised at the transaction cost, irrespective of whether it is possible to identify commercial margins. Subsequent measurement shall not include the difference between cost and fair value identified upon initial recognition (also defined as DOP). This difference shall be recognised in the income statement only when it arises from changes to the factors over which market participants base their valuations when fixing prices (including the time effect). Where unobservable inputs used to estimate the fair value become observable, the residual deferred DOPs are recognised in the income statement. Similarly, in the event of "on the book" transactions falling under the investment division's activities, the DOPs earned on transactions – included in the above on the book management – are taken to the income statement when transactions are carried out which substantially eliminate the risks linked to unobservable parameters of the instrument which generated the DOP.
Following the derecognition, at the end of 2024, of amounts previously suspended in the Balance Sheet following the closure of the associated transactions, there is nothing to report for all of 2025.

Part B – Information on the Parent Company's balance sheet

ASSETS

SECTION 1 - CASH AND CASH EQUIVALENTS - CAPTION 10

1.1 Cash and cash equivalents: breakdown

(millions of euro)

	31.12.2025	31.12.2024
a) Cash	2,395	2,416
b) Current accounts and on demand deposits with Central Banks	21,501	22,277
c) Current accounts and on demand deposits with banks	1,055	1,508
Total	**24,951**	**26,201**

SECTION 2 - FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS – CAPTION 20

2.1 Financial assets held for trading: breakdown

(millions of euro)

Captions	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
A. Cash assets						
1. Debt securities	11,886	1,427	65	6,471	1,285	81
1.1 Structured securities	*240*	*1*	-	*31*	*4*	-
1.2 Other debt securities	*11,646*	*1,426*	*65*	*6,440*	*1,281*	*81*
2. Equities	5,446	-	-	7,588	-	-
3. Quotas of UCI	438	-	34	440	-	37
4. Loans	-	-	10	-	64	9
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	*10*	-	*64*	*9*
Total (A)	**17,770**	**1,427**	**109**	**14,499**	**1,349**	**127**
B. Derivatives						
1. Financial derivatives	38	22,407	20	123	23,336	25
1.1 trading	*38*	*22,404*	*20*	*123*	*23,333*	*25*
1.2 fair value option	-	-	-	-	-	-
1.3 other	-	*3*	-	-	*3*	-
2. Credit derivatives	-	5,102	-	-	3,070	-
2.1 trading	-	*5,102*	-	-	*3,070*	-
2.2 fair value option	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total (B)	**38**	**27,509**	**20**	**123**	**26,406**	**25**
Total (A+B)	**17,808**	**28,936**	**129**	**14,622**	**27,755**	**152**

Structured securities as at 31 December 2025 consist of 229 million euro of fixed-rate debt securities indexed to inflation, as an additional component, and 12 million euro of debt securities convertible into shares.

Other debt securities are made up of the securities connected with securitisation transactions for a total amount of 1,183 million euro (1,126 million euro Level 2 and 57 million euro Level 3), of which 1,042 million euro is senior, 132 million euro is mezzanine and 9 million euro is junior.

Equity instruments as at 31 December 2025 include investments correlated with financial trading derivatives on equity instruments and stock indices.

As the gross positive fair value of the derivative instruments implemented with the legal clearing agent LCH Ltd. meets the requirements set out for offsetting between gross positive and negative balances pursuant to IAS 32, paragraph 42, it was subject to offsetting, with recognition of the net fair value based on the balances under Financial liabilities held for trading and Financial assets held for trading, respectively.

2.2 Financial assets held for trading: borrower/issuer/counterparty breakdown

(millions of euro)

Captions	31.12.2025	31.12.2024
A. Cash Assets		
1. Debt securities	**13,378**	**7,837**
a) Central Banks	216	220
b) Public administration	7,565	3,216
c) Banks	2,762	2,348
d) Other financial companies	2,254	1,664
of which: insurance companies	*182*	*166*
e) Non financial companies	581	389
2. Equities	**5,446**	**7,588**
a) Banks	444	399
b) Other financial companies	783	1,200
of which: insurance companies	*138*	*173*
c) Non financial companies	4,219	5,989
d) Other issuers	-	-
3. Quotas of UCI	**472**	**477**
4. Loans	**10**	**73**
a) Central Banks	-	-
b) Public administration	-	-
c) Banks	-	-
d) Other financial companies	-	6
of which: insurance companies	-	-
e) Non financial companies	10	67
f) Households	-	-
Total A	**19,306**	**15,975**
B. Derivatives		
a) Central counterparties	7,690	5,722
b) Other	19,877	20,832
Total B	**27,567**	**26,554**
TOTAL (A+B)	**46,873**	**42,529**

Quotas of UCI held at the end of the year mainly included hedge funds for 295 million euro.

2.3 Financial assets designated at fair value: breakdown

(millions of euro)

Captions	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1.Debt securities	**-**	**-**	**-**	**-**	**2**	**-**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	-	-	-	-	2	-
2. Loans	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Structured	-	-	-	-	-	-
2.2 Others	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**2**	**-**

The Bank has included in this category debt securities linked to financial instruments measured at fair value through profit and loss, such as financial derivatives. On the basis of the debt securities, no hedges were arranged through credit derivatives or similar instruments to mitigate the relevant credit risk.
The fair value change attributable to the measurement of credit risk of financial assets designated at fair value was nil, both during the year and in cumulative terms.

2.4 Financial assets designated at fair value: borrower/issuer breakdown

(millions of euro)

Captions	31.12.2025	31.12.2024
1. Debt securities	**-**	**2**
a) Central Banks	-	-
b) Public administration	-	2
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non financial companies	-	-
2. Loans	**-**	**-**
a) Central Banks	-	-
b) Public administration	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non financial companies	-	-
f) Households	-	-
Total	**-**	**2**

2.5 Other financial assets mandatorily measured at fair value: breakdown

(millions of euro)

Captions	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	**-**	**15**	**30**	**-**	**33**	**57**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	-	15	30	-	33	57
2. Equities	**206**	**529**	**13**	**172**	**295**	**13**
3. Quotas of UCI	**-**	**193**	**3,433**	**-**	**200**	**3,482**
4. Loans	**-**	**473**	**80**	**-**	**369**	**143**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	473	80	-	369	143
Total	**206**	**1,210**	**3,556**	**172**	**897**	**3,695**

Other debt securities include the securities connected with securitisation transactions for a total amount of 39 million euro (9 million euro Level 2 and 30 million euro Level 3), of which 10 million euro is senior, 21 million euro is mezzanine and 8 million euro is junior.

2.6 Other financial assets mandatorily measured at fair value: borrower/issuer breakdown

(millions of euro)

Captions	31.12.2025	31.12.2024
1. Equities	**748**	**480**
of which: banks	-	-
of which: other financial companies	*244*	*210*
of which: non financial companies	*504*	*270*
2. Debt securities	**45**	**90**
a) Central Banks	-	-
b) Public administration	-	-
c) Banks	-	-
d) Other financial companies	45	90
of which: insurance companies	-	-
e) Non financial companies	-	-
3. Quotas of UCI	**3,626**	**3,682**
4. Loans	**553**	**512**
a) Central Banks	-	-
b) Public administration	-	-
c) Banks	84	64
d) Other financial companies	71	116
of which: insurance companies	*10*	*10*
e) Non financial companies	394	327
f) Households	4	5
Total	**4,972**	**4,764**

Quotas of UCI refer to real estate funds for 1,151 million euro, private equity funds for 1,113 million euro, private debt funds for 748 million euro, hedge funds for 195 million euro, infrastructure funds for 132 million euro, venture capital funds for 120 million euro and other equity funds for 4 million euro. The caption also includes 163 million euro in interests held by the bank in the Atlante Fund and in the Italian Recovery Fund (formerly Atlante Fund II), as alternative investment funds to support Italian banks in their recapitalisation transactions and in the management of the bad loans in the sector.

Loans include credit exposures classified among financial assets mandatorily measured at fair value as they failed the test on the contractual characteristics of cash flows (SPPI Test) required by IFRS 9.

SECTION 3 - FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - CAPTION 30

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

(millions of euro)

Captions	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	**62,892**	**4,136**	**-**	**53,625**	**2,787**	**8**
1.1 Structured securities	191	-	-	964	-	-
1.2 Other debt securities	62,701	4,136	-	52,661	2,787	8
2. Equities	**637**	**124**	**560**	**542**	**99**	**637**
3. Loans	**-**	**2,369**	**55**	**-**	**832**	**82**
Total	**63,529**	**6,629**	**615**	**54,167**	**3,718**	**727**

Loans, as illustrated in Part A – Accounting policies, refer to portions of syndicated loans underwritten and destined to be subsequently sold.

Structured securities as at 31 December 2025 consist entirely of fixed-rate debt securities indexed to inflation, as an additional component.
Other debt securities include the securities connected with securitisations for a total amount of 2,574 million euro (entirely Level 2), of which 2,555 million euro is senior and 19 million euro is mezzanine.

Financial assets measured at fair value through other comprehensive income (caption 2. Equities) include the stakes in the capital of the Bank of Italy for an amount of 368 million euro, amounting to 4.91% of the share capital and lower than the 5% limit, beyond which there is a limitation on the receipt of dividends in compliance with Article 3, paragraph 4 of the Articles of Association of the Bank of Italy. In this regard, lacking recent material transactions, in line with that carried out in the 2024 Annual Report, the method based on the discounting of future dividends deriving from the investment (DDM – "Dividend Discount Model") was used to value the stake as at 31 December 2025, which confirmed its carrying amount, with classification at Level 3 of the fair value hierarchy.

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

(millions of euro)

Captions	31.12.2025	31.12.2024
1. Debt securities	**67,028**	**56,420**
a) Central Banks	-	-
b) Public administration	50,458	43,271
c) Banks	9,420	6,878
d) Other financial companies	5,009	4,376
of which: insurance companies	-	-
e) Non financial companies	2,141	1,895
2. Equities	**1,321**	**1,278**
a) Banks	798	740
b) Other issuers:	523	538
- other financial companies	185	200
of which: insurance companies	-	*3*
- non financial companies	338	338
- other	-	-
3. Loans	**2,424**	**914**
a) Central Banks	-	-
b) Public administration	-	-
c) Banks	-	-
d) Other financial companies	407	249
of which: insurance companies	-	-
e) Non financial companies	2,017	665
f) Household	-	-
Total	**70,773**	**58,612**

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

(millions of euro)

	Gross amount					Total adjustments				Total partial write-offs
	Stage 1	*of which: Instruments with low credit risk*	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	
Debt securities	66,307	*838*	744	35	-	-11	-11	-35	-	-
Loans	2,135	-	300	10	-	-4	-12	-5	-	-
Total 31.12.2025	**68,442**	***838***	**1,044**	**45**	**-**	**-15**	**-23**	**-40**	**-**	**-**
Total 31.12.2024	**56,997**	***291***	**357**	**47**	**-**	**-13**	**-14**	**-40**	**-**	**-**

For the approach used to represent the gross value and the total adjustments to impaired financial assets, see the illustration provided in Part A – Accounting policies.

SECTION 4 - FINANCIAL ASSETS MEASURED AT AMORTISED COST – CAPTION 40

4.1 Financial assets measured at amortised cost: breakdown of amounts due from banks

(millions of euro)

Transaction type/Amount	31.12.2025						31.12.2024					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired	Level 1	Level 2	Level 3	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired	Level 1	Level 2	Level 3
A. Due from Central Banks	**3,667**	**-**	**-**	**-**	**3,667**	**-**	**3,865**	**-**	**-**	**-**	**3,865**	**-**
1. Time deposits	-	-	-	X	X	X	204	-	-	X	X	X
2. Reserve requirement	3,667	-	-	X	X	X	3,661	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Other	-	-	-	X	X	X	-	-	-	X	X	X
B. Due from banks	**46,392**	**3**	**-**	**3,922**	**30,565**	**11,933**	**34,556**	**9**	**-**	**1,956**	**24,378**	**8,250**
1. Loans	42,379	3	-	-	30,473	11,933	32,524	9	-	-	24,349	8,228
1.1 Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2 Time deposits	11,847	-	-	X	X	X	8,618	-	-	X	X	X
1.3 Other loans:	30,532	3	-	X	X	X	23,906	9	-	X	X	X
- Reverse repurchase agreements	*20,536*	-	-	*X*	*X*	*X*	*13,466*	-	-	*X*	*X*	*X*
- Finance leases	*3*	-	-	*X*	*X*	*X*	*4*	-	-	*X*	*X*	*X*
- Other	*9,993*	*3*	-	*X*	*X*	*X*	*10,436*	*9*	-	*X*	*X*	*X*
2. Debt securities	4,013	-	-	3,922	92	-	2,032	-	-	1,956	29	22
2.1 Structured	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other	4,013	-	-	3,922	92	-	2,032	-	-	1,956	29	22
Total	**50,059**	**3**	**-**	**3,922**	**34,232**	**11,933**	**38,421**	**9**	**-**	**1,956**	**28,243**	**8,250**

The sub-caption Other loans – Other includes operating loans, i.e. loans for operations connected to the provision of activities and financial services, with no credit facilities, for an amount of 4 million euro (5 million euro as at 31 December 2024). These exposures are essentially loans classified in Stage 1 and adjusted based on IFRS 9.

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

(millions of euro)

Transaction type/Amount	31.12.2025						31.12.2024					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired	Level 1	Level 2	Level 3	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired	Level 1	Level 2	Level 3
1. Loans	**339,240**	**3,200**	**82**	**-**	**207,661**	**121,606**	**343,539**	**4,183**	**175**	**-**	**218,209**	**122,405**
1.1. Current accounts	8,445	217	2	X	X	X	8,488	371	4	X	X	X
1.2. Reverse repurchase agreements	21,995	-	-	X	X	X	17,991	-	-	X	X	X
1.3. Mortgages	195,761	2,180	53	X	X	X	197,540	2,740	87	X	X	X
1.4. Credit card loans, personal loans and transfer of one fifth of salaries	11,376	126	-	X	X	X	11,630	156	1	X	X	X
1.5. Finance leases	4,661	108	26	X	X	X	5,486	215	79	X	X	X
1.6. Factoring	9,329	41	-	X	X	X	9,803	61	-	X	X	X
1.7. Other loans	87,673	528	1	X	X	X	92,601	640	4	X	X	X
2. Debt securities	**63,137**	**632**	**-**	**48,185**	**13,436**	**1,236**	**60,261**	**17**	**-**	**40,762**	**16,186**	**598**
2.1. Structured securities	2,473	-	-	1,439	810	-	3,778	-	-	2,270	930	49
2.2. Other debt securities	60,664	632	-	46,746	12,626	1,236	56,483	17	-	38,492	15,256	549
Total	**402,377**	**3,832**	**82**	**48,185**	**221,097**	**122,842**	**403,800**	**4,200**	**175**	**40,762**	**234,395**	**123,003**

As at 31 December 2025, the figure for Financial assets measured at amortised cost included around 1,253 million euro (of which 118 million euro of current accounts and 1,135 million euro of other loans) relating to an institutional customer which returned in its banking licence, previously classified under due from banks.

Other loans include loans disbursed on public funds under administration for which the Bank holds the risk in the amount of 50 million euro.

Other debt securities include the securities connected with securitisations for a total amount of 7,201 million euro (6,391 million euro Level 2 and 810 million euro Level 3), of which 7,186 million euro is senior and 15 million euro is mezzanine.

They also include debt securities of 3,812 million euro, connected with the securitisation of the vehicle Romulus Funding Corporation, included in the Group's scope of consolidation.

The amount of Debt securities - Structured securities, under sub-caption 2.1, consists entirely of fixed-rate debt securities indexed to inflation, as an additional component.

The sub-caption Other loans includes operating loans, i.e. loans for operations connected to the provision of activities and financial services, with no credit facilities, for an amount of 794 million euro (731 million euro as at 31 December 2024). These exposures are loans mainly classified in Stage 1 and adjusted based on IFRS 9.

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

(millions of euro)

Transaction type/Amount	31.12.2025			31.12.2024		
	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired
1. Debt securities	**63,137**	**632**	**-**	**60,261**	**17**	**-**
a) Public administration	44,450	1	-	42,148	7	-
b) Other financial companies	13,519	622	-	15,011	-	-
of which: insurance companies	*37*	-	-	*23*	-	-
c) Non financial companies	5,168	9	-	3,102	10	-
2. Loans:	**339,240**	**3,200**	**82**	**343,539**	**4,183**	**175**
a) Public administration	12,664	31	-	11,547	194	-
b) Other financial companies	54,635	66	-	52,566	130	1
of which: insurance companies	*1,199*	-	-	*1,142*	-	-
c) Non financial companies	131,356	2,183	42	139,946	2,649	112
d) Households	140,585	920	40	139,480	1,210	62
TOTAL	**402,377**	**3,832**	**82**	**403,800**	**4,200**	**175**

4.4 Financial assets measured at amortised cost: gross amount and total adjustments

(millions of euro)

		Gross amount					Total adjustments				Total partial write-offs
		Stage 1	*of which: Instruments with low credit risk*	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	
Debt securities		64,806	*3,812*	2,383	797	-	-18	-21	-165	-	-
Loans		362,097	*20,873*	24,480	5,889	133	-322	-969	-2,686	-51	**1,029**
Total	**31.12.2025**	**426,903**	***24,685***	**26,863**	**6,686**	**133**	**-340**	**-990**	**-2,851**	**-51**	**1,029**
Total	**31.12.2024**	**414,688**	***23,022***	**29,085**	**8,099**	**272**	**-390**	**-1,162**	**-3,890**	**-97**	**1,477**

For the approach used to represent the gross value and the total adjustments to impaired financial assets, see the illustration provided in Part A – Accounting policies.

On 16 December 2022, the EBA repealed the Guidelines on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis, contained in EBA/GL/2020/07, with effect from 1 January 2023, following the change in the scenario related to the pandemic. However, the Bank of Italy, in the communication dated 14 March 2023, requested that certain financial statement disclosures be maintained on loans subject to public guarantees, in free format at the bottom of this table.

In this regard, it should be noted that the gross value of the loans subject to public guarantees issued in response to the COVID-19 situation as at 31 December 2025 amounted to 7,977 million euro, of which 5,856 million euro in stage 1, 1,238 million euro in stage 2, and 883 million euro in stage 3.
The total adjustments amounted to 316 million euro, of which 5 million euro related to stage 1, 16 million euro to stage 2, and 295 million euro to stage 3.

SECTION 5 - HEDGING DERIVATIVES – CAPTION 50

Concerning the objectives and the strategies underlying hedging transactions see the information provided in Part E – Information on risks and relative hedging policies, Section 2 – Market risks.

5.1 Hedging derivatives: breakdown by type of hedge and level

(millions of euro)

	Fair value 31.12.2025			Notional amount	Fair value 31.12.2024			Notional amount
	Level 1	Level 2	Level 3	31.12.2025	Level 1	Level 2	Level 3	31.12.2024
A. Financial derivatives								
1. Fair Value	-	6,654	-	303,535	-	5,686	-	282,730
2. Cash flows	-	149	-	11,851	-	96	-	16,860
3. Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives								
1. Fair Value	-	-	-	-	-	-	-	-
2. Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**6,803**	**-**	**315,386**	**-**	**5,782**	**-**	**299,590**

Because the gross positive fair value as at 31 December 2025 of hedging derivatives implemented with the legal clearing agent LCH Ltd. met the requirements set out for offsetting between gross positive and negative balances pursuant to IAS 32, paragraph 42, it was subject to offsetting, with recognition of the net fair value under Financial liabilities held for trading.
The total positive fair value of hedging derivatives gross of on-balance sheet offsetting would amount to 13,708 million euro (of which 13,557 million euro hedging fair value and 151 million euro hedging cash flows).

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

(millions of euro)

Transactions / Type of hedge	Fair Value						Cash-flow hedges			Foreign investm
	Specific						Generic	Specific	Generic	
	debt securities and interest rates	equities and stock indices	foreign exchange rates and gold	credit risk	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	616	-	534	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	1,356	X	5	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	2,726	X	33	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**1,972**	**-**	**539**	**-**	**-**	**-**	**2,726**	**-**	**33**	**-**
1. Financial liabilities	393	X	-	-	-	-	X	1	X	X
2. Portfolio	X	X	X	X	X	X	1,024	X	115	X
Total liabilities	**393**	**-**	**-**	**-**	**-**	**-**	**1,024**	**1**	**115**	**-**
1. Forecast transactions	X	X	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	-	X	-	-

The table indicates positive fair values of hedging derivatives, broken down in relation to asset or liability hedged and type of hedge.
Considering the values gross of netting in the financial statements, these continued to refer mainly to macro fair value hedges of loans disbursed and liabilities represented by core deposits, as well as micro fair value hedges of debt securities under assets.

SECTION 6 – FAIR VALUE CHANGE OF FINANCIAL ASSETS IN HEDGED PORTFOLIOS – CAPTION 60

6.1 Fair value change of hedged assets: breakdown by hedged portfolios

(millions of euro)

Fair value change of hedged assets / Amount	31.12.2025	31.12.2024
1. Positive fair value change	**331**	**1,284**
1.1 of specific portfolios:	331	1,284
a) financial assets measured at amortised cost	*331*	*1,284*
b) financial assets measured at fair value through other comprehensive income	-	-
1.2 overall	-	-
2. Negative fair value change	**-6,238**	**-4,856**
2.1 of specific portfolios:	-6,238	-4,856
a) financial assets measured at amortised cost	*-6,238*	*-4,856*
b) financial assets measured at fair value through other comprehensive income	-	-
2.2 overall	-	-
Total	**-5,907**	**-3,572**

The balance of the changes in value of assets subject to macrohedging against interest rate risk is recorded in this caption. For the application the Bank took advantage of the option envisaged by IFRS 9 to continue to apply the provisions permitted by the IAS 39 carve out.
The greater negative balance of this caption compared to 31 December 2024 of the fair value change of financial assets in interest rate risk macro hedged portfolios was the result of the trend in interest rates, and should be read jointly with the trend in fair value of hedging derivatives.

SECTION 7 – EQUITY INVESTMENTS – CAPTION 70

7.1 Equity investments: information on equity interests

	Companies	Registered office	Place of business	% held	% votes available (a)
A. WHOLLY OWNED SUBSIDIARIES					
1	ACANTUS S.P.A.	Milan	Milan	80.00	
2	ANTI FINANCIAL CRIME DIGITAL HUB S.C.A.R.L.	Turin	Turin	60.00	
3	BANCA COMERCIALA EXIMBANK S.A.	Chisinau	Chisinau	100.00	
4	BANCA COMERCIALA INTESA SANPAOLO ROMANIA S.A.	Bucharest	Bucharest	99.84	
5	BANK OF ALEXANDRIA S.A.E.	Cairo	Cairo	80.00	
6	BANKA INTESA SANPAOLO D.D. (b)	Koper	Koper	48.13	
7	CENTAI INSTITUTE S.P.A. - IN LIQUIDAZIONE	Turin	Turin	100.00	
8	CIB BANK LTD	Budapest	Budapest	100.00	
9	COLLINE E OLTRE S.P.A.	Pavia	Pavia	51.00	
10	CONSORZIO STUDI E RICERCHE FISCALI GRUPPO INTESA SANPAOLO	Rome	Rome	80.00	
11	EURIZON CAPITAL SGR S.P.A.	Milan	Milan	100.00	
12	EXETRA S.P.A. (c)	Milan	Milan	85.00	
13	FIDEURAM - INTESA SANPAOLO PRIVATE BANKING S.P.A.	Turin	Rome	100.00	
14	FIDEURAM VITA S.P.A.	Rome	Rome	77.51	
15	IMI INVESTMENTS S.A.	Luxembourg	Luxembourg	100.00	
16	IMMIT - IMMOBILI ITALIANI S.R.L.	Bergamo	Bergamo	100.00	
17	INTESA SANPAOLO (QINGDAO) SERVICE COMPANY LIMITED	Qingdao	Qingdao	100.00	
18	INTESA SANPAOLO ASSICURAZIONI S.P.A.	Turin	Milan	100.00	
19	INTESA SANPAOLO BANK ALBANIA SH.A.	Tirana	Tirana	100.00	
20	INTESA SANPAOLO BRASIL S.A. - BANCO MULTIPLO	São Paulo	São Paulo	99.90	
21	INTESA SANPAOLO EXPO INSTITUTIONAL CONTACT S.R.L.	Milan	Milan	100.00	
22	INTESA SANPAOLO FUNDING LLC	Wilmington Delaware	New York	100.00	
23	INTESA SANPAOLO HIGHLINE S.R.L.	Turin	Turin	100.00	
24	INTESA SANPAOLO HOLDING INTERNATIONAL S.A.	Luxembourg	Luxembourg	100.00	
25	INTESA SANPAOLO INNOVATION CENTER S.P.A.	Turin	Turin	99.99	
26	INTESA SANPAOLO RE.O.CO. S.P.A.	Milan	Milan	100.00	
27	INTESA SANPAOLO SERVICOS E EMPRENDIMENTOS LTDA - EM LIQUIDACAO	São Paulo	São Paulo	100.00	
28	ISP CB IPOTECARIO S.R.L. (d)	Milan	Milan	60.00	
29	ISP OBG S.R.L. (d)	Milan	Milan	60.00	
30	ISYBANK S.P.A.	Milan	Milan	100.00	
31	JOINT STOCK COMPANY BANCA INTESA (e)	Moscow	Moscow	46.98	
32	NEVA II	Turin	Turin	83.37	
33	NEVA II ITALIA	Turin	Turin	94.29	
34	PORTA NUOVA GIOIA (f)	Milan	Milan	90.00	
35	PRAVEX BANK JOINT-STOCK COMPANY	Kyiv	Kyiv	100.00	
36	PRESTITALIA S.P.A.	Bergamo	Bergamo	100.00	
37	QINGDAO YICAI FUND DISTRIBUTION CO. LTD.	Qingdao	Qingdao	100.00	
38	RISANAMENTO S.P.A. (e) (g)	Milan	Milan	48.88	
39	SRM STUDI E RICERCHE PER IL MEZZOGIORNO (h)	Naples	Naples	60.00	14.29 (*)
40	UBI FINANCE S.R.L. (d)	Milan	Milan	60.00	
B. COMPANIES SUBJECT TO JOINT CONTROL					
1	APSIDE S.P.A. (i)	Turin	Turin	50.00	
2	AUGUSTO S.R.L.	Milan	Milan	5.00	
3	DIOCLEZIANO S.R.L.	Milan	Milan	5.00	

	Companies	Registered office	Place of business	% held	% votes available (a)
C. COMPANIES SUBJECT TO SIGNIFICANT INFLUENCE					
1	BACK2BONIS	Milan	Milan	42.47	35.00 (*)
2	BRERA SEC S.R.L. (j)	Conegliano	Conegliano	5.00	
3	CAMFIN S.P.A. (k)	Milan	Milan	4.60	8.53 (*)
4	CASSA DI RISPARMIO DI FERMO S.P.A.	Fermo	Fermo	33.33	
5	CLARA SEC. S.R.L. (j)	Conegliano	Conegliano	5.00	
6	COMPAGNIA AEREA ITALIANA S.P.A.	Rome	Fiumicino	27.49	
7	DESTINATION GUSTO S.R.L. (i)	Milan	Milan	49.00	
8	DIGIT'ED HOLDING S.P.A. (l)	Milan	Milan	18.93	19.35 (*)
9	ECRA PRIVATE DEBT FUND	Milan	Milan	8.58	
10	EFESTO	Conegliano	Conegliano	38.60	
11	EQUITER S.P.A.	Turin	Turin	32.88	
12	EUROPROGETTI & FINANZA S.R.L. - IN LIQUIDAZIONE	Rome	Rome	15.97	
13	FI.NAV. COMPARTO A - CREDITI (m)	Rome	Rome	50.54	
14	FONDO BASKET EQUE	Milan	Milan	24.39	
15	FONDO DI RIGENERAZIONE URBANA SICILIA S.R.L. (n)	Palermo	Turin	100.00	
16	FONDO ELEUTERIA	Milan	Milan	32.28	30.00 (*)
17	FONDO PER LA RICERCA E L'INNOVAZIONE S.R.L. RIF (n)	Turin	Turin	100.00	
18	FONDO SARDEGNA ENERGIA S.R.L. (n)	Cagliari	Turin	100.00	
19	FONDO TEMATICO PIANI URBANI INTEGRATI S.R.L. (n)	Turin	Turin	100.00	
20	FONDO TEMATICO TURISMO S.R.L. (n)	Turin	Turin	100.00	
21	FONDO UTP ITALIA - COMPARTO CREDITI	Milan	Milan	41.87	35.00 (*)
22	GIADA SEC. S.R.L. (j)	Conegliano	Conegliano	5.00	
23	GRENKE ITALIA S.P.A.	Milan	Milan	17.00	
24	IDEA CCR (CORPORATE CREDIT RECOVERY) II COMPARTO CREDITI	Milan	Milan	33.47	
25	INDACO VENTURE PARTNERS SGR S.P.A.	Milan	Milan	24.50	
26	INTRUM ITALY S.P.A.	Milan	Milan	49.00	
27	ISM INVESTIMENTI S.P.A.	Mantua	Mantua	27.36	
28	LENDLEASE MSG HEARTBEAT	Milan	Milan	52.75	40.00 (*)
29	LEONARDO TECHNOLOGY S.R.L. - IN LIQUIDAZIONE	Turin	Turin	26.60	
30	MARKETWALL S.R.L.	Milan	Milan	33.00	
31	MATERIAS S.R.L.	Naples	Naples	13.66	
32	MONTEFELTRO SVILUPPO SOC. CONS. A R.L.	Urbania	Urbania	26.37	
33	NETWORK IMPRESA S.P.A. - IN SCIOGLIMENTO	Limena	Limena	28.95	
34	RCN FINANZIARIA S.P.A.	Mantua	Mantua	23.96	
35	RETAIL & LEISURE FUND (m)	Rome	Rome	56.52	
36	REXER S.P.A. (o)	Monza	Monza	48.98	49.17 (*)
37	RSCT FUND - COMPARTO CREDITI (m)	Milan	Milan	70.07	
38	S.F. CONSULTING S.R.L.	Bergamo	Bergamo	35.00	
39	SICILY INVESTMENTS S.A.R.L.	Luxembourg	Luxembourg	25.20	
40	SOCIETA' EDITRICE ALLEMANDI A R.L.	Turin	Turin	49.00	
41	SVILUPPO COMO - COMONEXT S.P.A.	Como	Lomazzo (Como)	25.16	
42	SVILUPPO INDUSTRIALE S.P.A. - IN LIQUIDAZIONE	Pistoia	Pistoia	28.27	
43	TINEXTA INNOVATION HUB S.P.A.	Correggio	Correggio	9.52	
44	TRINACRIA CAPITAL S.A.R.L.	Luxembourg	Luxembourg	25.20	
45	UTP RESTRUCTURING CORPORATE	Milan	Milan	53.08	35.00 (*)

(a) Where different from the % portion of the equity investment, the actual availability of votes in the Ordinary Shareholders' Meeting is indicated, distinguishing between the effective and potential voting rights, where applicable: (*) Effective voting rights (**) Potential voting rights.

(b) Minority shareholders are subject to a legal commitment to purchase 0.7% of share capital.

(c) In the event of liquidation of the equity investment, the minority shareholder has the right to sell, and Intesa Sanpaolo is required to purchase, the entire minority investment.

(d) Vehicles used for covered bond issues.

(e) Companies included under significant equity investments as, on the whole, the Group holds a controlling interest or the conditions set out in IFRS 10 are met.

(f) A closed-end alternative real estate investment fund managed by COIMA SGR S.p.A.

(g) Company not subject to the management and coordination activities pursuant to Article 2497 and following of the Italian Civil Code.

(h) The member structure totals 7 members with identical per capita voting rights, pursuant to Article 6 of the Articles of Association (Fondazione Compagnia di Sanpaolo, Intesa Sanpaolo S.p.A., Bank of Alexandria S.A.E., Banka Intesa Sanpaolo D.D., Intesa Sanpaolo Innovation Center S.p.A., Privredna Banka Zagreb D.D. and Intesa Sanpaolo Bank Albania SH.A.)

(i) Intesa Sanpaolo S.p.A. also holds 100% of the equity instruments issued by the investee.

(j) These are vehicles used for securitisation transactions within the Group. The put&call options are exercisable in the half year following the closing date of the securitisation.

(k) The different value between the actual share and the number of votes in the Shareholders' Meeting is linked to the presence of various categories of shares (A and B). Only category A shares (also held by Intesa Sanpaolo) grant rights to vote in the Shareholders' Meeting.

(l) The different value between the actual share and the number of votes in the Shareholders' Meeting is linked to the presence of various categories of shares (A, B, D, MO, M). Category M shares (held by managers) do not attribute the right to vote in the Shareholders' Meeting, but only in the Special Meeting (pursuant to Article 2376 of the Italian Civil Code).

(m) The interest is included under Companies subject to significant influence because, even though it represents a more complex situation than that typical of an ordinary non-controlling interest, the absence has been confirmed of the conditions for exercise of control envisaged by IFRS 10 on the basis of the corporate governance provisions in the articles of association/regulations.

(n) EIB Funds: the economic effects of the investments in equity and loans underlying the fund's operations will be borne in full by the EIB.

(o) The different value between the actual share and the number of votes in the Shareholders' Meeting is linked to the presence of a category of shares (B) lacking the right to vote in the Shareholders' Meeting.

The illustration of the criteria and the methods for the definition of the scope of consolidation and the reasons which determine that a company is subject to joint control or significant influence is contained in Part A – Accounting policies, to which reference should be made. The fair value as at 31 December 2025 of the only listed equity investment, Risanamento S.p.A., amounted to 18 million euro.

7.2 Individually material equity investments: book value, fair value and dividends received

For the information relating to this paragraph, reference should be made to the relevant section of the Notes to the consolidated financial statements.

7.3 Individually material equity investments: financial information

For the information relating to this paragraph, reference should be made to the relevant section of the Notes to the consolidated financial statements.

7.4 Individually immaterial equity investments: financial information

For the information relating to this paragraph, reference should be made to the relevant section of the Notes to the consolidated financial statements.

7.5 Equity investments: annual changes

(millions of euro)

	31.12.2025	31.12.2024
A. Initial amount	**25,659**	**24,055**
B. Increases	**1,551**	**2,057**
B.1 purchases	299	715
of which business combinations	-	-
B.2 write-backs	1	34
B.3 revaluations	-	-
B.4 other changes	1,251	1,308
C. Decreases	**-2,186**	**-453**
C.1 sales	-525	-35
of which business combinations	-	-
C.2 impairment losses	-376	-220
C.3 write-downs	-	-
C.4 other changes	-1,285	-198
D. Final amount	**25,024**	**25,659**
E. Total revaluations	**-**	**-**
F. Total impairment losses	**-7,978**	**-7,607**

Sub-caption B.1 Purchases primarily relates to the following transactions:
- subscription of shares issued by Eurizon Capital SGR S.p.A. for 113 million euro as part of the reorganisation of Wealth Management;
- purchase of an investment in the Eleuteria Fund for 88 million euro, following the contribution of a non-performing loan portfolio in exchange for units of the fund;
- subscription of the shares of Grenke Italia S.p.A. received following the contribution of Intesa Sanpaolo Rent Foryou S.p.A. for 83 million euro.

Sub-caption B.4 Other changes essentially refers to:
- the increase of 921 million euro for Intesa Sanpaolo Holding International S.A. under the merger of Intesa Sanpaolo Bank Ireland PLC, wholly owned by Intesa Sanpaolo, into Intesa Sanpaolo Bank Luxembourg S.A., wholly owned by Intesa Sanpaolo Holding International;
- the increase of 145 million euro for Banca Comerciala Intesa Sanpaolo Romania S.A. following the merger by incorporation of First Bank S.A., 99.98%-owned by Intesa Sanpaolo;
- the gain of 43 million euro following the contribution of Intesa Sanpaolo Rent Foryou S.p.A.;
- payments, totalling 52 million euro, made to the Neva II fund.

Sub-caption C.1 Sales mainly relates to the sale of Private Equity International S.A. to Intesa Sanpaolo Holding International S.A. for 442 million euro, and the contribution of Intesa Sanpaolo Rent Foryou S.p.A. for 83 million euro.

The Sub-caption C.2. Adjustments relates to the write-down of interests held in: Back2Bonis for 97 million euro, Lendlease MSG Heartbeat for 87 million euro, UTP Restructuring Corporate for 72 million euro, Efesto for 25 million euro, RSCT Fund Comparto Crediti for 21 million euro, IDEA CCR Corporate Credit Recovery II Fund - Loans Sub-fund for 15 million euro, UTP

Italia Fund – Loans Sub-Fund for 11 million euro, Intrum Italy S.p.A. for 11 million euro, Retail & Leisure Fund for 10 million euro and other minor items for 27 million euro.

Sub-caption C.4 Other changes essentially consists of:
– the merger of Intesa Sanpaolo Bank Ireland PLC into Intesa Sanpaolo Bank Luxembourg S.A., wholly owned by Intesa Sanpaolo Holding International S.A., in turn wholly owned by Intesa Sanpaolo, for 921 million euro;
– the merger by incorporation of First Bank S.A. into Banca Comerciala Intesa Sanpaolo Romania S.A. for 145 million euro;
– the reimbursement of the funds: Efesto for 74 million euro, FI.NAV Sub-Fund A - Loans for 49 million euro, UTP Italia Fund – Loans Sub-Fund for 34 million euro, Back2Bonis for 23 million euro, RSCT Fund - Loans Sub-Fund for 12 million euro and IDEA CCR Corporate Credit Recovery II Fund - Loans Sub-fund for 10 million euro.

7.6 Commitments referred to investments in companies subject to joint control

For the information relating to this paragraph, reference should be made to the relevant section of the Notes to the consolidated financial statements.

7.7 Commitments referred to investments in companies subject to significant influence

For the information relating to this paragraph, reference should be made to the relevant section of the Notes to the consolidated financial statements.

7.8 Significant restrictions

For the information relating to this paragraph, reference should be made to the relevant section of the Notes to the consolidated financial statements.

7.9 Other information

For the information relating to this paragraph, reference should be made to the relevant section of the Notes to the consolidated financial statements.

Impairment tests of equity investments

As required under IAS/IFRS, equity investments are subjected to impairment testing to assess whether there is objective evidence to consider that the carrying value of the assets is not fully recoverable. With reference to investments in associates and companies subject to joint control, the process of detection of any impairment involves verification of the presence of impairment indicators and the determination of any write-down. The impairment indicators are essentially divided into two categories: qualitative indicators, such as the generation of negative economic results or in any case a significant variance with respect to the targets budgeted or established in the multi-year plans disclosed to the market, the announcement/start-up of insolvency proceedings or restructuring plans, and the downgrading by more than two classes of the rating; quantitative indicators, represented by a reduction in fair value of over 30% below the carrying value or for a period of over 24 months, by market capitalisation lower than the company's net book value, in the case of securities listed on active markets or by a carrying value of the investment in the Parent Company's financial statements higher than the carrying value in the consolidated financial statements of the investee's net assets and goodwill or by distribution by the latter of a dividend that is higher than its total income. If impairment indicators are detected, the recoverable amount, represented by the higher of the fair value less costs to sell and the value in use, is calculated and if it proves lower than the carrying value, impairment is recognised. If, subsequently, the recoverable amount is higher than the new carrying amount and the reasons for the impairment no longer apply following an event subsequent to the recognition of the impairment, recoveries are recognised, through profit or loss, up to the amount of the adjustment previously recognised.
In particular, where impairment indicators were recorded with respect to investments in associates or companies subject to joint control, analyses were carried out based, as a priority, on market methodologies (direct or comparable transactions and market multiples) or alternatively on "fundamental" analyses mainly based on an estimate of the expected discounted cash flows or on the adjusted net asset value (ANAV). The results of these valuations led to the need to make adjustments mainly on the interests held in: Back2Bonis (97 million euro), Lendlease MSG Heartbeat for 87 million euro, UTP Restructuring Corporate (72 million euro), Efesto (25 million euro), RSCT Fund Comparto Crediti (21 million euro), IDEA CCR Corporate Credit Recovery II Fund - Loans Sub-fund (15 million euro), UTP Italia Fund – Loans Sub-Fund (11 million euro), Intrum Italy (11 million euro), Retail & Leisure Fund (10 million euro) and other minor items for 14 million euro.
Individual investments in subsidiaries, while material as individual assets from an accounting standpoint, do not present independent cash flow generation and governance capacity, given the organisational model, which calls for CGUs larger than the individual legal entities. Accordingly, investments in subsidiaries are not individually material for the purposes of conducting impairment tests in the financial statements of the Parent Company, but rather are aggregated (along with the operating activities conducted directly by the Parent Company) into CGUs consistent with those identified at the level of the consolidated financial statements. This approach is tied to the organisational model applied by the Group. According to that model, individual investments belonging to a given CGU are not capable of generating cash flows independently from the other investments. Therefore, their recoverable amounts cannot be calculated individually, as required by IAS 36.
In view of the consistency that must be preserved between the impairment tests conducted in the consolidated financial statements and the Parent Company's financial statements, in addition to the homogeneity of the composition of CGUs, the correlation between the items tested in the two sets of financial statements must be carefully considered: the goodwill attributed to the various CGUs in the consolidated financial statements and the Parent Company's financial statements partly reflects the goodwill associated solely with the Parent Company and partly the carrying amounts of investments in subsidiaries. The goodwill associated with the latter is implicit in the carrying amounts of the equity investments in the financial statements of the Parent

Company and emerges in the consolidated financial statements following the consolidation process on the basis of the values determined during the purchase process pursuant to IFRS 3.
If a need to recognise an impairment loss on goodwill attributable to a given CGU is identified at the level of the consolidated financial statements, in the Parent Company's financial statements that impairment loss is attributed to the assets pertaining to the same CGU not subject to testing individually, namely goodwill, the brand name and investments in subsidiaries. As described in Part B – Information on the consolidated balance sheet - Assets, impairment tests on Cash Generating Units did not lead to the need to recognise in the consolidated financial statements impairment of goodwill. Accordingly, no impairment losses were recognised in relation to investments in subsidiaries.
Investments in subsidiaries that did not present goodwill values in the consolidated financial statements but that closed 2025 with a loss were treated differently. For such companies, it was prudentially verified that the latter result was due to contingent or structural factors; from this analysis the need emerged to make some adjustments, aligning the carrying amount of the investment to the proportional share of equity of the subsidiaries. The impairment refers to the interests held in Qingdao Yicai Fund Distribution Co. Ltd. for 5 million euro, Intesa Sanpaolo RE.O.CO S.p.A. for 4 million euro and Centai Institute for 3 million euro.

SECTION 8 – PROPERTY AND EQUIPMENT – CAPTION 80

(millions of euro)

Assets/Amounts	31.12.2025	31.12.2024
1. Property and equipment used in operations measured at cost	1,532	1,657
Of which - Property and equipment used in operations - Rights of use acquired under leases	*850*	*928*
2. Investment property measured at cost	-	-
3. Property and equipment used in operations, revalued	4,658	4,731
Of which - Property and equipment used in operations, revalued - Rights of use acquired under leases	-	-
4. Investment property measured at fair value	798	727
Of which - Investment property - Rights of use acquired under leases	-	-
5. Inventories of property and equipment governed by IAS 2	82	140
Total Property and equipment - Caption 80	**7,070**	**7,255**

8.1 Property and equipment used in operations: breakdown of assets measured at cost

(millions of euro)

Assets/Amounts	31.12.2025	31.12.2024
1. Property and equipment owned	**682**	**729**
a) land	-	-
b) buildings	-	-
c) furniture	177	175
d) electronic equipment	503	552
e) other	2	2
2. Rights of use acquired through the lease	**850**	**928**
a) land	1	1
b) buildings	779	868
c) furniture	-	-
d) electronic equipment	43	33
e) other	27	26
Total	**1,532**	**1,657**
of which: resulting from the enforcement of guarantees	-	-

8.2 Investment property: breakdown of assets measured at cost

There was no investment property measured at cost.

8.3 Property and equipment used in operations: breakdown of revalued assets

(millions of euro)

Assets/Amounts	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Property and equipment owned	**-**	**-**	**4,658**	**-**	**-**	**4,731**
a) land	-	-	1,919	-	-	1,936
b) buildings	-	-	2,446	-	-	2,498
c) valuable art assets	-	-	293	-	-	297
d) electronic equipment	-	-	-	-	-	-
e) other	-	-	-	-	-	-
2. Rights of use acquired through the lease	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
c) furniture	-	-	-	-	-	-
d) electronic equipment	-	-	-	-	-	-
e) other	-	-	-	-	-	-
Total	**-**	**-**	**4,658**	**-**	**-**	**4,731**
of which: resulting from the enforcement of guarantees	-	-	*2*	-	-	*2*

8.4 Investment property: breakdown of assets measured at fair value

(millions of euro)

Assets/Amounts	31.12.2025			31.12.2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Property and equipment owned	**-**	**-**	**798**	**-**	**-**	**727**
a) land	-	-	248	-	-	227
b) buildings	-	-	550	-	-	500
2. Rights of use acquired through the lease	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
Total	**-**	**-**	**798**	**-**	**-**	**727**
of which: resulting from the enforcement of guarantees	-	-	*86*	-	-	*57*

With regard to the provisions of IAS 40, paragraph 75, letters c), g) and h), there was no information worth mentioning.

8.5 Inventories of property and equipment governed by IAS 2: breakdown

(millions of euro)

Captions	31.12.2025	31.12.2024
1. Inventories of property and equipment resulting from the enforcement of guarantees	**75**	**129**
a) land	-	-
b) buildings	75	129
c) furniture	-	-
d) electronic equipment	-	-
e) other	-	-
2. Other inventories of property and equipment	**7**	**11**
Total	**82**	**140**
of which: measured at fair value less cost to sell	-	-

8.6 Property and equipment used in operations: annual changes

(millions of euro)

	Land	Buildings	Furniture	Electronic equipment	Valuable art assets	Other	Total
A. Gross initial carrying amount	**1,937**	**4,122**	**1,973**	**6,446**	**297**	**123**	**14,898**
A.1 Total net adjustments	-	-756	-1,798	-5,861	-	-95	-8,510
A. Net initial carrying amount	**1,937**	**3,366**	**175**	**585**	**297**	**28**	**6,388**
B. Increases:	**18**	**239**	**31**	**139**	**1**	**16**	**444**
B.1 Purchases	3	85	31	139	-	12	270
of which: business combinations	-	-	-	-	-	-	-
B.2 Capitalised improvement costs	-	67	-	-	-	-	67
B.3 Recoveries	-	-	-	-	-	-	-
B.4 Positive fair value differences recognised in	11	6	-	-	-	-	17
a) net equity	*10*	*6*	-	-	-	-	*16*
b) income statement	*1*	-	-	-	-	-	*1*
B.5 Positive foreign exchange differences	-	-	-	-	-	-	-
B.6 Transfer from investment property	3	5	X	X	X	X	8
B.7 Other changes	1	76	-	-	1	4	82
C. Decreases:	**-35**	**-380**	**-29**	**-178**	**-5**	**-15**	**-642**
C.1 Sales	-	-	-	-	-1	-	-1
of which: business combinations	-	-	-	-	-	-	-
C.2 Depreciation	-	-217	-25	-175	-	-14	-431
C.3 Impairment losses recognised in	-	-	-1	-	-	-	-1
a) shareholders' equity	-	-	-	-	-	-	-
b) income statement	-	-	*-1*	-	-	-	*-1*
C.4 Negative fair value differences recognised in	-7	-1	-	-	-4	-	-12
a) shareholders' equity	*-2*	-	-	-	*-3*	-	*-5*
b) income statement	*-5*	*-1*	-	-	*-1*	-	*-7*
C.5 Negative foreign exchange differences	-	-2	-	-	-	-	-2
C.6 Transfer to:	-28	-51	-	-	-	-	-79
a) investment property	*-27*	*-50*	*X*	*X*	*X*	*X*	*-77*
b) non-current assets held for sale and discontinued operations	*-1*	*-1*	-	-	-	-	*-2*
C.7 Other changes	-	-109	-3	-3	-	-1	-116
D. Net final carrying amount	**1,920**	**3,225**	**177**	**546**	**293**	**29**	**6,190**
D.1 Total net adjustments	-	-817	-1,824	-5,994	-	-94	**-8,729**
D.2 Gross final carrying amount	**1,920**	**4,042**	**2,001**	**6,540**	**293**	**123**	**14,919**
E. Measurement at cost	**1,240**	**1,588**	**-**	**-**	**114**	**-**	**2,942**

As explained in Part A – Fair value of real estate and valuable art assets, in accordance with the rules on valuation frequencies, the properties classified as owner-occupied assets and the valuable art assets were valued during the scenario analyses, through external appraisals, entrusted to qualified and independent experts, and properties classified as trophy assets, including owner-occupied properties, had their appraisals updated.
Sub-captions B.4 and C.4 respectively report the positive and negative changes in fair value relating to owner-occupied real estate (land and buildings) and valuable art assets, for which the Bank applies the revaluation model. The Other changes, both increases and decreases, refer mainly to renegotiations and early terminations during the year of leases (IFRS 16) and, only regarding decreases, to amortisation and depreciation recorded during the year on assets deriving from the acquisition of business lines of the former Venetian banks, covered using the allowance for risks and charges specifically allocated at the time.
Sub-caption E. Measurement at cost only contains property and equipment measured according to the revaluation model.

8.6 bis Of which - Property and equipment used in operations - Rights of use acquired under leases: annual changes

(millions of euro)

	Land	Buildings	Furniture	Electronic equipment	Valuable art assets	Other	Total
A. Gross initial carrying amount	1	1,507	-	48	-	52	1,608
A.1 Total net adjustments	-	-639	-	-15	-	-26	-680
A. Net initial carrying amount	**1**	**868**	**-**	**33**	**-**	**26**	**928**
B. Increases:	**-**	**157**	**-**	**29**	**-**	**15**	**201**
B.1 Purchases	-	81	-	29	-	11	121
of which: business combinations	-	-	-	-	-	-	-
B.2 Capitalised improvement costs	-	-	-	-	-	-	-
B.3 Recoveries	-	-	-	-	-	-	-
B.4 Positive fair value differences recognised in	-	-	-	-	-	-	-
a) net equity	-	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-	-
B.5 Positive foreign exchange differences	-	-	-	-	-	-	-
B.6 Transfer from investment property	-	-	X	X	X	X	-
B.7 Other changes	-	76	-	-	-	4	80
C. Decreases:	**-**	**-246**	**-**	**-19**	**-**	**-14**	**-279**
C.1 Sales	-	-	-	-	-	-	-
of which: business combinations	-	-	-	-	-	-	-
C.2 Depreciation	-	-136	-	-19	-	-13	-168
C.3 Impairment losses recognised in	-	-	-	-	-	-	-
a) shareholders' equity	-	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-	-
C.4 Negative fair value differences recognised in	-	-	-	-	-	-	-
a) shareholders' equity	-	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-	-
C.5 Negative foreign exchange differences	-	-2	-	-	-	-	-2
C.6 Transfer to:	-	-	-	-	-	-	-
a) investment property	-	-	*X*	*X*	*X*	*X*	-
b) non-current assets held for sale and discontinued operations	-	-	-	-	-	-	-
C.7 Other changes	-	-108	-	-	-	-1	-109
D. Net final carrying amount	**1**	**779**	**-**	**43**	**-**	**27**	**850**
D.1 Total net adjustments	-	-673	-	-34	-	-25	**-732**
D.2 Gross final carrying amount	**1**	**1,452**	**-**	**77**	**-**	**52**	**1,582**
E. Measurement at cost	**-**	**-**	**-**	**-**	**-**	**-**	**-**

8.7 Investment property: annual changes

(millions of euro)

	Lands	Buildings
A. Initial carrying amount	**227**	**500**
B. Increases	**37**	**90**
B.1 Purchases	-	-
of which: business combinations	-	-
B.2 Capitalised improvement costs	-	3
B.3 Positive fair value differences	-	3
B.4 Recoveries	-	-
B.5 Positive foreign exchange differences	-	-
B.6 Transfer from property used in operations	27	50
B.7 Other changes	10	34
C. Decreases	**-16**	**-40**
C.1 Sales	-1	-4
of which: business combinations	-	-
C.2 Depreciation	-	-
C.3 Negative fair value differences	-3	-14
C.4 Impairment losses	-	-
C5 Negative foreign exchange differences	-	-
C.6 Transfer to:	-11	-20
a) property used in operations	*-3*	*-5*
b) non-current assets held for sale and discontinued operations	*-8*	*-15*
C.7 Other changes	-1	-2
D. Final amount	**248**	**550**
E. Fair value measurement	**-**	**-**

Investment property, comprised of land and buildings, is measured at fair value, in compliance with IAS 40.
Sub-captions B.3 Positive fair value differences and C.3 Negative fair value differences reflect the recognition of the effects of the updated appraisals for investment properties. See Part A - Information on fair value - Fair value of real estate and valuable art assets for more information on the measurement criteria.

8.7 bis Of which - Investment property - Rights of use acquired under leases: annual changes

As at 31 December 2025, the amount for Investment property - Rights of use acquired under leases was immaterial.

8.8 Inventories of property and equipment governed by IAS 2: annual changes

(millions of euro)

	Inventories of tangible assets arising from the recovery of guarantees received					Other inventories of tangible assets	Total
	Lands	Buildings	Furniture	Electronic systems	Other		
A. Opening balance	**-**	**129**	**-**	**-**	**-**	**11**	**140**
B. Increase	**-**	**-**	**-**	**-**	**-**	**-**	**-**
B.1 Purchasing	-	-	-	-	-	-	-
- of which: business combinations	-	-	-	-	-	-	-
B.2 Write-backs	-	-	-	-	-	-	-
B.3 Positive exchange differences	-	-	-	-	-	-	-
B.4 Other adjustment	-	-	-	-	-	-	-
C. Decrease	**-**	**-54**	**-**	**-**	**-**	**-4**	**-58**
C.1 Sales	-	-9	-	-	-	-3	-12
- of which: business combinations	-	-	-	-	-	-	-
C.2 Impairment losses	-	-2	-	-	-	-1	-3
C.3 Negative exchange difference	-	-	-	-	-	-	-
C.4 Other changes	-	-43	-	-	-	-	-43
D. Closing balance	**-**	**75**	**-**	**-**	**-**	**7**	**82**

8.9 Commitments to purchase property and equipment

Commitments to purchase property and equipment in existence as at 31 December 2025 were of an immaterial amount.

SECTION 9 - INTANGIBLE ASSETS - CAPTION 90

9.1 Intangible assets: breakdown by type of asset

(millions of euro)

Activities/Values	31.12.2025		31.12.2024	
	Finite useful life	Indefinite useful life	Finite useful life	Indefinite useful life
A.1 Goodwill	**X**	**67**	**X**	**67**
A.2 Other intangible assets	**3,330**	**1,507**	**3,220**	**1,507**
of which: Software	*3,088*	-	*2,957*	-
A.2.1 Assets measured at cost	3,330	1,507	3,220	1,507
a) internally generated intangible assets	2,137	-	2,143	-
b) other assets	1,193	1,507	1,077	1,507
A.2.2 Assets measured at fair value	-	-	-	-
a) internally generated intangible assets	-	-	-	-
b) other assets	-	-	-	-
Total	**3,330**	**1,574**	**3,220**	**1,574**

Other intangible assets and Goodwill with an indefinite useful life essentially reflect components from the purchase price allocation process, as per IFRS 3, as part of the merger by incorporation of Sanpaolo IMI into Banca Intesa finalised on 1 January 2007 and the subsequent business combinations under common control.

The sub-caption A.2.1 a) "internally-generated intangible assets" with a finite useful life refers to software developed internally. Sub-caption A.2.1 b) other assets comprises the software licenses purchased from external suppliers (951 million euro), in addition to the intangible assets identified under the purchase price allocation of the price paid for business combinations. IFRS 3 requires that an acquisition that is part of a business combination must be recognised using the purchase method and that the price paid must be allocated to the assets acquired and the liabilities assumed, measured at their respective fair values. The intangibles identified, which express the value of the relationships acquired, are amortised over the estimated duration of their benefit.

9.2 Intangible assets: annual changes

(millions of euro)

	Goodwill	Other intangible assets: internally generated		Other intangible assets: other		Total
		Finite useful life	Indefinite useful life	Finite useful life	Indefinite useful life	
A. Initial carrying amount	**7,220**	**4,730**	**-**	**3,179**	**2,009**	**17,138**
A.1 Total net adjustments	-7,153	-2,587	-	-2,102	-502	-12,344
A.2 Net initial carrying amount	**67**	**2,143**	**-**	**1,077**	**1,507**	**4,794**
B. Increases	**-**	**732**	**-**	**445**	**-**	**1,177**
B.1 Purchases	-	-	-	445	-	445
- of which: business combinations	-	-	-	-	-	-
B.2 Increases of internally generated intangible assets	X	731	-	-	-	731
B.3 Recoveries	X	-	-	-	-	-
B.4 Positive fair value differences recognised in	-	-	-	-	-	-
- shareholders' equity	*X*	-	-	-	-	-
- income statement	*X*	-	-	-	-	-
B.5 Positive foreign exchange differences	-	-	-	-	-	-
B.6 Other changes	-	1	-	-	-	1
C. Decreases	**-**	**-738**	**-**	**-329**	**-**	**-1,067**
C.1 Sales	-	-	-	-	-	-
- of which: business combinations	-	-	-	-	-	-
C.2 Impairment losses	-	-723	-	-328	-	-1,051
- Amortisation	*X*	*-666*	-	*-327*	-	*-993*
- Write-downs recognised in	-	*-57*	-	*-1*	-	*-58*
+ shareholders' equity	*X*	-	-	-	-	-
+ income statement	-	*-57*	-	*-1*	-	*-58*
C.3 Negative fair value differences recognised in	-	-	-	-	-	-
- shareholders' equity	*X*	-	-	-	-	-
- income statement	*X*	-	-	-	-	-
C.4 Transfer to non-current assets held for sale and discontinued operations	-	-	-	-	-	-
C.5 Negative foreign exchange differences	-	-	-	-	-	-
C.6 Other changes	-	-15	-	-1	-	-16
D. Net final carrying amount	**67**	**2,137**	**-**	**1,193**	**1,507**	**4,904**
D.1 Total net adjustments	-7,153	-2,584	-	-2,390	-502	-12,629
E. Gross final carrying amount	**7,220**	**4,721**	**-**	**3,583**	**2,009**	**17,533**
F. Measurement at cost	-	-	-	-	-	-

9.3 Intangible assets: other information

As at 31 December 2025, the commitments relating to investments in intangible assets, essentially software, amounted to around 48 million euro.

Information on intangible assets and goodwill

Intangible assets and goodwill recognised into the Intesa Sanpaolo financial statements derive mainly from the merger between Banca Intesa and Sanpaolo IMI completed on 1 January 2007, and subsequent mergers of the network banks and the merger by incorporation of UBI Banca, completed in 2021.

Reference should be made to Part B – Information on the consolidated balance sheet – Assets of the consolidated financial statements for further details of the various components and measurement criteria.
The following table summarises the recorded values of intangible assets, with their changes recorded in the Parent Company's Financial Statements during 2025.

(millions of euro)

	2024 financial statements	Amortisation	2025 financial statements
BANCA DEI TERRITORI DIVISION	**1,769**	**-20**	**1,749**
- Asset management intangible assets - distribution	158	-14	144
- Insurance intangible assets - distribution	92	-5	87
- Intangible under administration - distribution	12	-1	11
- Brand name intangible	1,507	-	1,507
IMI CORPORATE & INVESTMENT BANKING DIVISION	**67**	**-**	**67**
- Intangible brand name	-	-	**-**
- Goodwill	67	-	67
CGU TOTAL	**1,836**	**-20**	**1,816**
- Asset management intangible assets - distribution	158	-14	144
- Insurance intangible assets - distribution	92	-5	87
- Intangible under administration - distribution	12	-1	11
- Brand name intangible	1,507	-	1,507
- Goodwill	67	-	67

The intangible assets with finite useful lives shown in the table above refer to assets linked to customer relationships and are represented by the insurance portfolio and asset management accounts for the value components attributable to distribution activities.
For the intangible assets with a finite useful life, the amortisation for the year was recognised to the income statement (under "190. Net adjustments to/recoveries on intangible assets") for a total of 20 million euro.

The brand name, an intangible asset linked to marketing, was also measured. This asset is considered to have an indefinite life since it is expected to contribute for an indefinite period of time to the formation of income flows.

Based on IAS 36, both intangible assets with an indefinite useful life and goodwill are submitted to impairment testing on an annual basis to verify recoverability of their value. For intangible assets with a finite useful life, impairment must be calculated each time there is evidence of impairment indicators. The recoverable amount consists of the higher of the fair value and the value in use, less costs to sell.

With regard to the intangible assets with finite useful lives, specific impairment tests were conducted, which did not identify any problems. Moreover, consideration should be given to the amortisation process that had reduced their carrying amounts compared to their initial book values and in addition to the fact that the standard requires that the recoverable amount be determined by referring to the contractual relationships of the entire CGU at the reporting date and not only to the residual assets for which the initial value of the intangible asset was determined. In that regard, it should be mentioned that IAS 36, for the purpose of calculating the value in use of intangibles subject to impairment testing, states that reference must be made to cash flows for the intangible asset in its current condition (as at the impairment test date), with no distinction between cash flows arising from the asset initially recognised according to IFRS 3 and those deriving from later changes, improvements or developments since its acquisition. This because it would be difficult, especially with regard to extraordinary transactions between businesses or changes in the asset following significant turnover in volumes, customers or contracts, to separate flows relating to the original asset from others.
This concept can also be applied in impairment testing of goodwill to calculate the Value in use of the CGUs, for which the cash flows have to be considered with regard to all assets and liabilities of that CGU and not only the assets and liabilities for which goodwill was recognised on application of IFRS 3.

Pursuant to IAS 36, the recoverable amount consists of the higher of the fair value and the value in use, less costs to sell. As previously implemented in prior financial statements, to calculate the recoverable amount, the Value in Use that represents the present value of net future cash flows from the asset (or business) being valued was used also in the impairment tests for the 2025 Financial Statements.
As previously specified in relation to the consolidated situation, there were no critical issues in terms of impairment of either the goodwill allocated to the Corporate & Investment Banking CGU or the brand name allocated to the Banca dei Territori CGU, whose recoverable amount, in terms of fair value, was confirmed by a specific valuation drawn up by an independent expert.
Furthermore, the methods and assumptions of the impairment test procedures for intangible assets and goodwill defined by management were approved by the Board of Directors prior to approval of the draft financial statements for 2025.

Impairment testing of intangibles

Insurance portfolio

As previously specified, as part of the merger by incorporation of UBI Banca into Intesa Sanpaolo, finalised in April 2021, the intangible assets referring to the component of the insurance business linked to the distribution activities were valued. The value of that intangible asset is represented by the capacity of contracts with customers (insurance policies) in force at the time of acquisition to generate revenues over the useful life of acquired relationships. For the 2025 financial statements the amortisation of the asset for the year, calculated on a variable basis corresponding to the residual life of the policies, amounting to 5 million euro gross of the tax effect, was recognised to the income statement.
The analyses conducted during the year on the main impairment indicators were updated and extended for this type of intangible. However, a thorough recalculation of value of the intangible asset was not performed since the trend of the insurance business did not present any particular critical issues in 2025 to place into doubt the accuracy of the carrying amount.

Portfolio of assets under management and under administration

As part of the acquisition of certain assets and liabilities of Banca Popolare di Vicenza in compulsory administrative liquidation and Veneto Banca in compulsory administrative liquidation, in 2017 the intangible assets linked to assets under administration and management (AUM) deriving from the acquired Aggregate Set were calculated, represented by the capacity of the relationships existing at the acquisition date to generate cash flows over the residual useful life of those relationships. That type of intangible asset increased during 2019 due to the incorporation of Banca Apulia, and during 2021 due to the merger by incorporation of UBI Banca into Intesa Sanpaolo. Both transactions were recorded maintaining consistency with the values of the merged companies deriving from the Group's consolidated financial statements.
For the purpose of the impairment test as at 31 December 2025, no problems arose in relation to the strength of the value recorded, considering the performance of assets during the year and taking account of the fact, also specified above, that possible valuation for the purpose of impairment testing should not be limited only to the cash flows deriving from the asset acquired, but should also take account of all the cash flows linked to the assets of the specific CGU.
For more details, reference is made to Part B - Information on the Consolidated balance sheet – Assets.

Brand name

IFRS 3 considers the "brand name" a potential, marketing-related intangible asset, which may be recorded in the purchase price allocation process for business combinations.
For this purpose, please note that the term "brand" is used in accounting standards with an extensive meaning and not as a synonym of "logo" or "name". It is considered a general marketing term which defines a set of complementary intangible assets (in addition to the name and the logo, also the competencies, consumer trust, service quality, etc.) which concur to form brand equity.
The value recorded in the Intesa Sanpaolo financial statements refers to the Sanpaolo IMI brand recognised at the time of the Banca Intesa-Sanpaolo IMI merger, and is allocated to the Banca dei Territori CGU.
In general, the brand name is considered an intangible asset that has no independent cash flows and, thus, to be subject to impairment testing as part of the verification of the retention of goodwill for the various CGUs. For the purposes of this impairment test, it was considered that the Banca dei Territori CGU did not have any goodwill allocated and, in line with that carried out for the previous financial statements, it was decided to conduct a specific, autonomous valuation of the specific intangible based on the fair value resulting from the dedicated appraisal commissioned from a third party expert.
For more details, reference is made to Part B - Information on the Consolidated balance sheet – Assets.

Impairment testing of CGUs and goodwill

For impairment testing purposes, the estimation of the value in use relating to intangible assets with an indefinite life (including goodwill) that do not generate cash flows unless jointly with other business, as per IAS 36, requires the preliminary assignment of such intangible assets to relatively independent business units, able to generate cash flows strongly independent of those produced in other business areas, but interdependent within the business unit generating them. In IAS/IFRS terminology, such business units are known as Cash Generating Units (CGUs).
Specifically, the allocation of goodwill as at the date of the business combination takes into account the benefits produced by the synergies expected from the combination.
As CGU identification requires an analysis of the management characteristics and reporting methods used by management, and as the logic for strategic decision-making by management of the Parent Company is that of the Group as a whole and not only that of the Parent Company as an individual entity, the CGUs are identified in the consolidated financial statements. At the Intesa Sanpaolo Group level, the following CGUs have been identified:

– Banca dei Territori;
– IMI Corporate & Investment Banking;
– Insurance;
– Asset Management;
– Private Banking;
– International Banks;
– Bank of Alexandria;
– Pravex Bank.

For a description of the criteria relating to the definition of the Group's CGUs reference is made to Part B - Information on the Consolidated balance sheet – Assets. More specifically, goodwill recognised to the Intesa Sanpaolo financial statements has been allocated to the IMI Corporate & Investment Banking CGU.
Furthermore, as illustrated in the Accounting Policies, investments in subsidiaries are not treated, for impairment test purposes, as single assets to be individually subjected to testing. Considering the organisational model adopted by Intesa Sanpaolo, CGUs are defined without regard to the structure of legal entities, inasmuch as investments are aggregated, along with the operating activities performed directly by the Parent Company, into CGUs of greater size or different structure. Accordingly, the impairment test performed at the consolidated level is also relevant at the Parent Company's financial statements level.

For an illustration of impairment tests for this caption, reference should be made to Part B - Information on the consolidated balance sheet - Assets.
If a need to recognise an impairment loss on goodwill attributable to a given CGU is identified at the level of the consolidated financial statements, in the Parent Company's financial statements that impairment loss is attributed to the assets pertaining to the same CGU not subject to testing individually, namely goodwill and investments in subsidiaries. As described in Part B – Information on the consolidated balance sheet – Assets, no value adjustments were identified at the CGU level in the consolidated financial statements. Therefore, on the basis of the results of the impairment test conducted at the level of the consolidated financial statements, there was no need for adjustments to the goodwill recognised in the Parent Company's financial statements.

SECTION 10 – TAX ASSETS AND LIABILITIES – CAPTION 100 OF ASSETS AND CAPTION 60 OF LIABILITIES

10.1 Deferred tax assets: breakdown

(millions of euro)

	31.12.2025		31.12.2024	
Corresponding caption in income statement (*)	**IRES**	**IRAP**	**IRES**	**IRAP**
A. Temporary deductible differences				
Adjustment to/Impairment of loans deductible in future years	1,328	243	1,335	194
of which pertaining to countries of foreign branches	*5*	-	*12*	-
Provisions for future charges	572	81	585	80
Higher tax value of equity investments, securities and other assets	197	48	187	50
Extraordinary charges for incentive-driven exit plans	191	38	274	54
Goodwill, trademarks and other intangible assets	2,729	673	2,729	562
Other	2,345	18	3,105	9
of which pertaining to countries of foreign branches	*3*	-	*3*	-
B. Taxable temporary differences offset				
Costs deducted off balance sheet	-	-	-	-
Capital gains in instalments	-	-	-	-
Lower tax value of equity investments, securities and other assets	-163	-	-150	-
Other	-	-	-	-
TOTAL (A+B)	**7,199**	**1,101**	**8,065**	**949**
Corresponding caption in Shareholders' equity (*)	**IRES**	**IRAP**	**IRES**	**IRAP**
Cash flow hedge	113	22	128	25
Recognition of actuarial gains/losses	59	1	68	2
Financial assets measured at fair value	539	106	805	159
Property and equipment	22	4	21	4
Offset against deferred tax liabilities recorded in equity	-112	-23	-67	-14
TOTAL	**621**	**110**	**955**	**176**
Total deferred tax assets	**7,820**	**1,211**	**9,020**	**1,125**

(*) Deferred tax assets and liabilities are measured at 27.5% for IRES (corporate income tax) and 5.56% for IRAP (regional production tax). With regard to 31 December 2025, solely for deferred tax assets and deferred tax liabilities expected to reverse in the years 2026, 2027 and 2028, the 2 percentage point increase in the IRAP (regional production tax) rate, introduced by Article 1, paragraph 74, of Law No. 199 of 30/12/2025, for those years, is taken into account

Deductible temporary differences - "Other" include losses carried forward of 2,252 million euro.

10.2 Deferred tax liabilities: breakdown

(millions of euro)

	31.12.2025		31.12.2024	
Corresponding caption in income statement (*)	**IRES**	**IRAP**	**IRES**	**IRAP**
A. Taxable temporary differences				
Costs deducted off balance sheet	42	9	34	7
Lower tax value of securities and other assets	263	29	264	27
of which pertaining to countries of foreign branches	-	-	-	-
Other	20	-	2	-
B. Deductible temporary differences offset				
Adjustment to/Impairment of loans deductible in future years	-	-	-	-
Higher tax value of securities and other assets	-122	-1	-110	-
Other	-	-	-	-
TOTAL (A+B)	**203**	**37**	**190**	**34**
Corresponding caption in Shareholders' equity (*)	**IRES**	**IRAP**	**IRES**	**IRAP**
Cash flow hedge	54	11	56	11
Recognition of actuarial gains/losses	-	-	-	-
Financial assets measured at fair value	59	12	11	3
Property and equipment	201	40	199	39
Offset against deferred tax assets recorded in equity	-112	-23	-67	-14
Offset against deferred tax assets (through profit and loss)	-41	-	-40	-
TOTAL	**161**	**40**	**159**	**39**
Total deferred tax liabilities	**364**	**77**	**349**	**73**

(*) Deferred tax assets and liabilities are measured at 27.5% for IRES (corporate income tax) and 5.56% for IRAP (regional production tax). With regard to 31 December 2025, solely for deferred tax assets and deferred tax liabilities expected to reverse in the years 2026, 2027 and 2028, the 2 percentage point increase in the IRAP (regional production tax) rate, introduced by Article 1, paragraph 74, of Law No. 199 of 30/12/2025, for those years, is taken into account

10.3 Changes in deferred tax assets (through profit or loss)

(millions of euro)

	31.12.2025	31.12.2024
1. Initial amount	**9,014**	**10,771**
2. Increases	**715**	**903**
2.1 Deferred tax assets recognised in the period	359	775
a) related to previous years	-	*336*
b) due to changes in accounting criteria	-	-
c) recoveries	-	-
d) other	*359*	*439*
2.2 New taxes or tax rate increases	163	-
2.3 Other increases	193	128
2.4 Business combinations	-	-
3. Decreases	**-1,429**	**-2,660**
3.1 Deferred tax assets eliminated in the period	-1,204	-2,027
a) reversals	*-1,204*	*-2,027*
b) write-offs	-	-
c) due to changes in accounting criteria	-	-
d) other	-	-
3.2 Tax rate reductions	-	-
3.3 Other decreases:	-225	-633
a) changes into tax credits pursuant to Law no. 214/2011	*-60*	*-470*
b) other	*-165*	*-163*
3.4 Business combinations	-	-
4. Final amount	**8,300**	**9,014**

Among Increases, sub-caption d) other refers mainly to the deductible temporary differences arising during the year, connected to provisions for risks and charges (312 million euro), including allocations to provisions for personnel.
The caption New taxes or tax rate increases refers to the revaluation of deferred tax assets expected to reverse in the years 2026, 2027 and 2028 to take account of the increase of 2 percentage points in the IRAP tax rate ordered by the 2026 Budget Law, Article 1, paragraph 74 *et seq.*
Other increases mainly refer to the reversal of netting against deferred tax liabilities, applied as at 31 December 2024, amounting to 150 million euro, of which 110 million euro against deferred tax liabilities through profit and loss and 40 million euro against deferred tax liabilities recorded in equity.
Among Decreases, sub-caption a) reversals mainly refer to the elimination of deferred tax assets on tax losses attributable to prior Aid for Economic Growth (ACE) surpluses (totalling 759 million euro), and deferred tax assets previously recorded in relation to provisions for risks and charges, as a result of their use during the year (426 million euro).
Among Other decreases, sub-caption a) changes into tax credits pursuant to Law no. 214/2011 refers to the information set out in Part C, table 19.1.
Again among Other decreases, sub-caption b) other includes 164 million euro relating to the netting with deferred tax liabilities for the year, of which 123 million euro against deferred tax liabilities through profit and loss and 41 million euro against deferred tax liabilities recorded in equity.

10.3bis Changes in deferred tax assets pursuant to Law 214/2011

(millions of euro)

	31.12.2025	31.12.2024
1. Initial amount	**4,227**	**6,125**
2. Increases	**134**	**60**
- of which: business combinations	-	-
3. Decreases	**-60**	**-1,958**
3.1 Reversals	-	-1,488
3.2 Changes into tax credits	-60	-470
a) from losses for the year	-	-
b) from fiscal losses	-60	-470
3.3 Other decreases	-	-
4. Final amount	**4,301**	**4,227**

The caption Increases refers to the revaluation of deferred tax assets expected to reverse in the years 2026, 2027 and 2028 to take account of the increase of 2 percentage points in the IRAP tax rate ordered by the 2026 Budget Law, Article 1, paragraph 74 et seq.

10.4 Changes in deferred tax liabilities (through profit or loss)

(millions of euro)

	31.12.2025	31.12.2024
1. Initial amount	**224**	**223**
2. Increases	**171**	**146**
2.1 Deferred tax liabilities recognised in the period	61	51
a) related to previous years	-	-
b) due to changes in accounting criteria	-	-
c) other	*61*	*51*
2.2 New taxes or tax rate increases	-	-
2.3 Other increases	110	95
2.4 Business combinations	-	-
3. Decreases	**-155**	**-145**
3.1 Deferred tax liabilities eliminated in the period	-22	-9
a) reversals	*-22*	*-9*
b) due to changes in accounting criteria	-	-
c) other	-	-
3.2 Tax rate reductions	-	-
3.3 Other decreases:	-133	-136
3.4 Business combinations	-	-
4. Final amount	**240**	**224**

Among Increases, sub-caption c) other refers mainly to temporary taxable differences arising during the year relating to financial assets measured at fair value (24 million euro), the tax amortisation of the brand name (10 million euro) and equity investments (3 million euro).
Other increases refer to the write-off of netting against deferred tax assets through profit or loss applied as at 31 December 2024, amounting to 110 million euro.
Among Decreases, sub-caption a) reversals mainly refer to the elimination of deferred tax liabilities previously recorded in relation to the measurement of loans at fair value (15 million euro).
Other decreases mainly include the netting against deferred tax assets through profit or loss for the year, amounting to 123 million euro.

10.5 Changes in deferred tax assets (recorded in equity)

(millions of euro)

	31.12.2025	31.12.2024
1. Initial amount	**1,131**	**983**
2. Increases	**148**	**430**
2.1 Deferred tax assets recognised in the period	67	345
a) related to previous years	-	-
b) due to changes in accounting criteria	-	-
c) other	*67*	*345*
2.2 New taxes or tax rate increases	-	-
2.3 Other increases	81	85
2.4 Business combinations	-	-
3. Decreases	**-548**	**-282**
3.1 Deferred tax assets eliminated in the period	-413	-188
a) reversals	*-413*	*-188*
b) write-offs	-	-
c) due to changes in accounting criteria	-	-
d) other	-	-
3.2 Tax rate reductions	-	-
3.3 Other decreases:	-135	-94
3.4 Business combinations	-	-
4. Final amount	**731**	**1,131**

Among Increases, sub-caption c) other mainly refers to deductible temporary differences arising during the year, connected with the results of financial assets measured at fair value through other comprehensive income (50 million euro) and cash flow hedging derivatives (16 million euro).
Other increases comprise 81 million euro for the write-off of netting against deferred tax liabilities recorded in equity, applied as at 31 December 2024.
Among Decreases, sub-caption a) reversals mainly refers to the elimination of deferred tax assets previously recorded in relation to the financial assets at fair value through other comprehensive income (368 million euro) and fair value measurement of cash flow hedging derivatives (33 million euro).
Other decreases refer to the netting against deferred tax liabilities recorded in equity (135 million euro).

10.6 Changes in deferred tax liabilities (recorded in equity)

(millions of euro)

	31.12.2025	31.12.2024
1. Initial amount	**198**	**192**
2. Increases	**323**	**275**
2.1 Deferred tax liabilities recognised in the period	202	146
a) related to previous years	-	-
b) due to changes in accounting criteria	-	-
c) other	*202*	*146*
2.2 New taxes or tax rate increases	-	-
2.3 Other increases	121	129
2.4 Business combinations	-	-
3. Decreases	**-320**	**-269**
3.1 Deferred tax liabilities eliminated in the period	-142	-136
a) reversals	*-142*	*-136*
b) due to changes in accounting criteria	-	-
c) other	-	-
3.2 Tax rate reductions	-	-
3.3 Other decreases:	-178	-133
3.4 Business combinations	-	-
4. Final amount	**201**	**198**

Among Increases, sub-caption c) other refers to taxable temporary differences arising during the year connected with the measurement of financial assets measured at fair value through other comprehensive income (160 million euro) as well as the fair value measurement of cash flow hedging derivatives (37 million euro) and property and equipment (5 million euro).
Other increases consist of the write-off of netting against deferred tax assets as at 31 December 2024 for 121 million euro, of which 81 million euro refers to deferred tax assets recorded in equity and 40 million euro to deferred tax assets through profit or loss.
Among Decreases, the sub-caption a) reversals refer to the discharge of deferred tax liabilities previously recorded in relation to the valuation of financial assets measured at fair value through other comprehensive income (102 million euro) as well as the fair value measurement of cash flow hedging derivatives (39 million euro) and property and equipment (1 million euro).
Other decreases comprise the netting against deferred tax assets recorded during the year, of 176 million euro, of which 135 million euro against deferred tax assets recorded in equity and 41 million euro against deferred tax assets through profit or loss.
As indicated in the accounting policies, with regard to current and deferred taxation, no provision is made in the financial statements for reserves subject to latent taxation only in the event of distribution, since the size of the available reserves which have already been taxed leads to the belief that the Bank will not undertake any transactions which may cause taxation of those untaxed reserves.

10.7 Other information

Probability test on deferred taxation
For information concerning the probability test on deferred taxation, refer to the contents of Part B – Assets of the Notes to the consolidated financial statements.
The test performed at Group and Parent Company levels showed a taxable base that was sufficient and adequate to allow recovery of the deferred taxes carried in the financial statements as at 31 December 2025.

Current tax liabilities: breakdown
The liabilities for current tax (651 million euro) include the cost, amounting to 548 million euro, relating to the one-off levy to the Net income reserve pursuant to Law 136 of 9/10/2023, envisaged by Article 1, paragraphs 69-72 of Law No. 199 of 30 December 2025 (see the Accounting policies of these Notes for more details).

SECTION 11 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS AND RELATED LIABILITIES - CAPTION 110 OF ASSETS AND 70 OF LIABILITIES

11.1 Non-current assets held for sale and discontinued operations: breakdown by type of asset

(millions of euro)

Captions	31.12.2025	31.12.2024
A. Non-current assets held for sale		
A.1 Financial assets	500	42
A.2 Equity investments	-	-
A.3 Property and equipment	524	535
of which: resulting from the enforcement of guarantees	8	8
A.4 Intangible assets	-	-
A.5 Other	-	-
Total A	**1,024**	**577**
of which measured at cost	***498***	***42***
of which Fair value level 1	***-***	***-***
of which Fair value level 2	***-***	***-***
of which Fair value level 3	***526***	***535***
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	-	-
B.4 Equity investments	-	-
B.5 Property and equipment	-	-
of which: resulting from the enforcement of guarantees	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total B	**-**	**-**
of which measured at cost	***-***	***-***
of which Fair value level 1	***-***	***-***
of which Fair value level 2	***-***	***-***
of which Fair value level 3	***-***	***-***
C. Liabilities associated with non-current assets held for sale		
C.1 Debts	-	-
C.2 Securities	-	-
C.3 Other	-45	-5
Total C	**-45**	**-5**
of which measured at cost	***-45***	***-5***
of which Fair value level 1	***-***	***-***
of which Fair value level 2	***-***	***-***
of which Fair value level 3	***-***	***-***
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 Allowances	-	-
D.5 Other	-	-
Total D	**-**	**-**
of which measured at cost	***-***	***-***
of which Fair value level 1	***-***	***-***
of which Fair value level 2	***-***	***-***
of which Fair value level 3	***-***	***-***

The table above contains assets and related liabilities which no longer refer to continuing operations as they are being disposed of.

Captions A.1 Financial assets and C.3 Other liabilities consist of non-performing loans which will be disposed of as part of operations planned for 2026.

A.3 Property and equipment comprise properties to be sold to the Coima Funds for 506 million euro, as part of a wider agreement finalised between the Bank and Coima, as well as of single properties held for sale for 18 million euro.

11.2 Other information

There is no other significant information to note as at 31 December 2025.

SECTION 12 – OTHER ASSETS – CAPTION 120

12.1 Other assets: breakdown

(millions of euro)

Captions		
Amounts to tax authorities		18,095
Amounts to be credited and items under processing		789
Invoices to be issued		719
Due from Group companies on fiscal consolidation		236
Bank cheques drawn on third parties to be settled		232
Accruals, prepayments and deferrals to be allocated		176
Cheques and other instruments held		121
Leasehold improvements		87
Balance illiquid in portfolio		-
Other		701
TOTAL	**31.12.2025**	**21,156**
TOTAL	**31.12.2024**	**27,705**

The sub-caption Amounts due from tax authorities includes 15.8 billion euro in tax credits acquired from customers, of which 8.2 billion euro under the Hold to Collect business model, around 2 billion euro under the Hold to Collect and Sell business model and 5.6 billion euro under the Other business model.

As required by paragraph 116 et. seq. of IFRS 15, assets arising from contracts with customers, which are included under the sub-caption "Other" and "Invoices to be issued" amounted to 349 million euro (340 million euro at the end of 2024).

LIABILITIES

SECTION 1 – FINANCIAL LIABILITIES MEASURED AT AMORTISED COST – CAPTION 10

1.1 Financial liabilities measured at amortised cost: breakdown of amounts due to banks

(millions of euro)

Transaction type/Amount	31.12.2025				31.12.2024			
	Book value	Fair Value			Book value	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
1. Due to central banks	**3,654**	**X**	**X**	**X**	**783**	**X**	**X**	**X**
2. Due to banks	**78,854**	**X**	**X**	**X**	**69,674**	**X**	**X**	**X**
2.1 Current accounts and on demand deposits	7,809	X	X	X	9,364	X	X	X
2.2 Time deposits	24,773	X	X	X	22,113	X	X	X
2.3 Loans	40,667	X	X	X	28,812	X	X	X
2.3.1 Repurchase agreements	*37,673*	*X*	*X*	*X*	*25,203*	*X*	*X*	*X*
2.3.2 Other	*2,994*	*X*	*X*	*X*	*3,609*	*X*	*X*	*X*
2.4 Debts for commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
2.5 Lease liabilities	4	X	X	X	5	X	X	X
2.6 Other debts	5,601	X	X	X	9,380	X	X	X
Total	**82,508**	**-**	**59,055**	**23,448**	**70,457**	**-**	**46,795**	**23,676**

The illustration of the criteria used to determine the fair value is contained in Part A – Accounting policies.
Repurchase agreements related to financial assets sold not derecognised are detailed in Part E – Section E Sales of the Notes to the financial statements.

1.2 Financial liabilities measured at amortised cost: breakdown of amounts due to customers

(millions of euro)

Transaction type/Amount	31.12.2025				31.12.2024			
	Book value	Fair Value			Book value	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
1. Current accounts and on demand deposits	**288,708**	**X**	**X**	**X**	**284,972**	**X**	**X**	**X**
2. Time deposits	**11,836**	**X**	**X**	**X**	**20,663**	**X**	**X**	**X**
3. Loans	**37,270**	**X**	**X**	**X**	**20,819**	**X**	**X**	**X**
3.1 Repurchase agreements	*31,109*	*X*	*X*	*X*	15,637	X	X	X
3.2 Other	*6,161*	*X*	*X*	*X*	5,182	X	X	X
4. Debts for commitments to repurchase own equity instruments	**-**	**X**	**X**	**X**	**-**	**X**	**X**	**X**
5. Lease liabilities	**877**	**X**	**X**	**X**	**950**	**X**	**X**	**X**
6. Other debts	**17,902**	**X**	**X**	**X**	**10,781**	**X**	**X**	**X**
Total	**356,593**	**-**	**347,382**	**8,922**	**338,185**	**-**	**327,701**	**10,249**

Repurchase agreements related to financial assets sold not derecognised are detailed in Part E – Section E Sales of the Notes to the financial statements.

As at 31 December 2025, the figure for Financial liabilities measured at amortised cost - amounts due to customers - included around 18,967 million euro (of which 162 million euro of current accounts, 12,525 million euro of repurchase agreements and 6,280 million euro of other payables) relating to an institutional customer which returned its banking licence, previously classified under amounts due to banks.

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

(millions of euro)

Transaction type/Amount	31.12.2025				31.12.2024			
	Book value	Fair Value			Book value	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
A. Securities								
1. bonds	98,680	53,373	48,193	-	109,803	59,609	52,358	-
1.1 structured	*684*	*225*	*463*	-	*797*	*182*	*626*	-
1.2 other	*97,996*	*53,148*	*47,730*	-	*109,006*	*59,427*	*51,732*	-
2. other	2,870	-	2,867	3	1,151	-	1,148	3
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	*2,870*	-	*2,867*	*3*	*1,151*	-	*1,148*	*3*
Total	**101,550**	**53,373**	**51,060**	**3**	**110,954**	**59,609**	**53,506**	**3**

1.4 Details of subordinated debts/securities

There were no subordinated debts with banks and customers as at 31 December 2025.
At the reporting date, Intesa Sanpaolo has subordinated securities issued for 12,213 million euro.

1.5 Details of structured debts

At the reporting date, Intesa Sanpaolo has structured debts with banks totalling 82 million euro.

1.6 Lease payables

As at 31 December 2025, Intesa Sanpaolo has lease payables of 881 million euro, of which 172 million euro maturing within one year, 446 million euro maturing within 1 to 5 years and 263 million euro maturing in over 5 years.
Lease payables comprise 877 million euro referring to customer counterparties and 4 million euro to bank counterparties.

SECTION 2 – FINANCIAL LIABILITIES HELD FOR TRADING – CAPTION 20

2.1 Financial liabilities held for trading: breakdown

(millions of euro)

Transaction type/Amount	31.12.2025					31.12.2024				
	Nominal or notional amount	Fair value			Fair Value (*)	Nominal or notional value	Fair value			Fair Value (*)
		Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
A. Cash liabilities										
1. Due to banks	**2,735**	**2,736**	**-**	**-**	**2,737**	**4,276**	**4,321**	**15**	**-**	**4,336**
2. Due to customers	**2,908**	**2,819**	**69**	**-**	**2,888**	**2,953**	**2,255**	**673**	**-**	**2,928**
3. Debt securities	**706**	**-**	**728**	**-**	**X**	**1,431**	**-**	**1,392**	**-**	**X**
3.1 Bonds	-	-	-	-	X	-	-	-	-	X
3.1.1 Structured	-	-	-	-	*X*	-	-	-	-	*X*
3.1.2 Other bonds	-	-	-	-	*X*	-	-	-	-	*X*
3.2 Other	706	-	728	-	X	1,431	-	1,392	-	X
3.2.1 Structured	*706*	-	*728*	-	*X*	*1,431*	-	*1,392*	-	*X*
3.2.2 Other	-	-	-	-	*X*	-	-	-	-	*X*
Total A	**6,349**	**5,555**	**797**	**-**	**5,625**	**8,660**	**6,576**	**2,080**	**-**	**7,264**
B. Derivatives										
1. Financial derivatives	**X**	**767**	**28,418**	**2**	**X**	**X**	**307**	**32,266**	**9**	**X**
1.1 Trading	X	767	28,380	2	X	X	307	32,234	9	X
1.2 Fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	38	-	X	X	-	32	-	X
2. Credit derivatives	**X**	**-**	**5,171**	**-**	**X**	**X**	**-**	**3,053**	**-**	**X**
2.1 Trading	X	-	5,171	-	X	X	-	3,053	-	X
2.2 Fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total B	**X**	**767**	**33,589**	**2**	**X**	**X**	**307**	**35,319**	**9**	**X**
Total (A+B)	**6,349**	**6,322**	**34,386**	**2**	**X**	**8,660**	**6,883**	**37,399**	**9**	**X**

(*) Fair value calculated excluding changes in creditworthiness of the issuer after issue date.

Amounts due to banks and customers consist entirely of short selling of securities.
Sub-caption 3.2.1 Other structured securities under Debt securities entirely consist of certificates which provide for partial or full redemption of the premiums paid on maturity, pursuant to Bank of Italy Communication of 21 October 2014, issued up to the end of 2019.
Derivative instruments include 8,756 million euro in certificates with characteristics similar to financial derivative instruments due to the prevalence of market risk in relation to the return of the premiums paid.

The changes in fair value recorded during the year due to the change in its own credit rating were negative overall by 16 million euro and related to Derivatives and Debt securities - Other.

The values of Derivative Instruments as at 31 December 2025 include the results of the offsetting of gross positive and negative balances of the trading derivatives together with those of the hedging derivatives undertaken with the legal clearing agent LCH Ltd., as they meet the requirements set out in IAS 32, paragraph 42.

2.2 Breakdown of "Financial liabilities held for trading": subordinated liabilities

The aggregate Financial liabilities held for trading includes subordinated liabilities represented by Due to banks for 394 million euro and Due to customers for 101 million euro.

2.3 Breakdown of "Financial liabilities held for trading": structured debts

As at 31 December 2025, structured debts classified under Financial liabilities held for trading amounted to 104 million euro due to banks and 36 million euro due to customers, attributable to 127 million euro of short selling of fixed-rate bonds indexed to inflation, as an additional component, and 13 million euro of short-selling of convertible bonds.

SECTION 3 – FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE – CAPTION 30

3.1 Financial liabilities designated at fair value: breakdown

(millions of euro)

Transaction type/Amount	31.12.2025					31.12.2024				
	Nominal value	Fair value			Fair value (*)	Nominal value	Fair value			Fair value (*)
		Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
1. Due to banks	**1**	**-**	**3**	**-**	**3**	**1**	**-**	**2**	**-**	**2**
1.1 Structured	1	-	3	-	X	1	-	2	-	X
1.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
2. Due to customers	**7**	**-**	**7**	**-**	**7**	**6**	**-**	**6**	**-**	**6**
2.1 Structured	7	-	7	-	X	6	-	6	-	X
2.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
3. Debt securities	**26,666**	**3,539**	**23,615**	**36**	**26,860**	**23,404**	**1,488**	**21,867**	**77**	**23,159**
3.1 Structured	26,666	3,539	23,615	36	X	23,404	1,488	21,867	77	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	**26,674**	**3,539**	**23,625**	**36**	**26,870**	**23,411**	**1,488**	**21,875**	**77**	**23,167**

(*) Fair value calculated excluding changes in creditworthiness of the issuer after issue date

The Bank has classified the LECOIP 3.0 for the employment agreements, terminated early, of employees of Group companies and life policies connected to social initiatives, managed by the Bank based on fair value, under Amounts due to customers.

Sub-caption 3.1 Debt securities – Structured comprised certificates which provide for partial or full redemption of the premiums paid on maturity, pursuant to Bank of Italy Communication of 21 October 2014 (certificates with guaranteed or protected capital). As they were issued after 1 January 2020, these are classified under Financial liabilities designated at fair value (Fair Value Option), as a result of the Bank's implementation of a business model based on a banking book approach, with the goal of generating stable inflows.
Certificates representing Financial liabilities designated at fair value record the related changes in fair value attributable to changes in own credit risk in the statement of comprehensive income (shareholders' equity). Changes in fair value attributable to the change in the Bank's own credit rating during the year were negative by 57 million euro.

3.2 Breakdown of "Financial liabilities designated at fair value": subordinated liabilities

Intesa Sanpaolo has no subordinated liabilities classified under Financial liabilities designated at fair value.

SECTION 4 – HEDGING DERIVATIVES – CAPTION 40

4.1 Hedging derivatives: breakdown by type of hedge and level

(millions of euro)

	31.12.2025				31.12.2024			
	Fair value			Notional value	Fair value			Notional value
	Level 1	Level 2	Level 3	31.12.2025	Level 1	Level 2	Level 3	31.12.2024
A. Financial derivatives	**-**	**2,193**	**-**	**164,061**	**-**	**3,741**	**-**	**199,503**
1) Fair value	-	2,044	-	155,557	-	3,549	-	188,988
2) Cash flows	-	149	-	8,504	-	192	-	10,515
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**2,193**	**-**	**164,061**	**-**	**3,741**	**-**	**199,503**

Because the gross negative fair value as at 31 December 2025 of hedging derivatives implemented with the legal clearing agent LCH Ltd. met the requirements set out for offsetting between gross positive and negative balances pursuant to IAS 32, paragraph 42, it was subject to offsetting, with recognition of the net fair value under Financial liabilities held for trading.
The total negative fair value of hedging derivatives gross of on-balance sheet offsetting would amount to 6,273 million euro (of which 5,797 million euro hedging fair value and 476 million euro hedging cash flows).

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

(millions of euro)

Transactions/Type of hedge	Fair Value							Cash flow		Foreign invest.
	Specific						Generic	Specific	Generic	
	debt securities and interest rates	equities and stock indices	Foreign exchange rates and gold	credit risk	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	286	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	444	X	140	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	101	X	11	X
4. Other transactions	-	-	4	-	-	-	X	-	X	-
Total assets	**730**	**-**	**144**	**-**	**-**	**-**	**101**	**-**	**11**	**-**
1. Financial liabilities	86	X	326	-	-	-	X	110	X	X
2. Portfolio	X	X	X	X	X	X	658	X	27	X
Total liabilities	**86**	**-**	**326**	**-**	**-**	**-**	**658**	**110**	**27**	**-**
1. Forecast transactions	X	X	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	-	X	-	-

The table indicates negative fair values of hedging derivatives, broken down in relation to asset or liability hedged and type of hedge.
Considering the values gross of netting in the financial statements, these continue to refer mainly to macro fair value hedges of core deposits as well as micro-hedges of debt securities under assets and liabilities issued. Cash flow hedges relate to floating-rate loans and funding, with the latter including the macro hedges of cash flows on securities issued to the extent they fund fixed-rate loans.

SECTION 5 – FAIR VALUE CHANGE OF FINANCIAL LIABILITIES IN HEDGED PORTFOLIOS – CAPTION 50

5.1 Fair value change of hedged liabilities: breakdown by hedged portfolios

(millions of euro)

Fair value change of hedged liabilities/Group members	31.12.2025	31.12.2024
1. Positive fair value change of financial liabilities	337	1,591
2. Negative fair value change of financial liabilities	-3,216	-3,394
Total	**-2,879**	**-1,803**

The balance of the changes in value of liabilities subject to macrohedging against interest rate risk is recorded in this caption. For the application the Bank took advantage of the option envisaged by IFRS 9 to continue to apply the provisions permitted by the IAS 39 carve out.
The greater negative balance of this caption compared to 31 December 2024 of the fair value change of financial liabilities in interest rate risk macro hedged portfolios was the result of the movements in interest rates, and should be read jointly with the movements in fair value of hedging derivatives.

SECTION 6 – TAX LIABILITIES – CAPTION 60

For information on this section, see Section 10 of Assets.

SECTION 7 – LIABILITIES ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS – CAPTION 70

For information on this section, see Section 11 of Assets.

SECTION 8 – OTHER LIABILITIES – CAPTION 80

8.1 Other liabilities: breakdown

(millions of euro)

Captions		
Amounts to be credited and items under processing		2,725
Illiquid portfolio transaction items		2,328
Due to tax authorities		1,672
Due to suppliers		1,309
Amounts due to third parties		279
Accruals, prepayments and deferrals not allocated		214
Due to social security entities		200
Personnel charges		64
Due to Group companies on fiscal consolidation		43
Other		792
TOTAL	**31.12.2025**	**9,626**
TOTAL	**31.12.2024**	**10,491**

As required by paragraph 116 a) of IFRS 15, liabilities arising from contracts with customers, which are included under the sub-caption Accruals, prepayments and deferrals not allocated, amounted to 134 million euro, while at the end of 2024 they amounted to 129 million euro.

SECTION 9 – EMPLOYEE TERMINATION INDEMNITIES – CAPTION 90

9.1 Employee termination indemnities: annual changes

(millions of euro)

	31.12.2025	31.12.2024
A. Initial amount	**652**	**717**
B. Increases	**53**	**55**
B.1 Provisions in the year	20	25
B.2 Other	33	30
- of which business combinations	-	-
C. Decreases	**-136**	**-120**
C.1 Benefits paid	-106	-80
C.2 Other	-30	-40
- of which business combinations	-	-
D. Final amount	**569**	**652**
Total	**569**	**652**

C.1 refers to benefits paid during the year.
For greater detail on actuarial calculations, see Section 10.5 – Post employment defined benefit plans.

9.2 Other information

The present value of employee termination indemnities qualifying as unfunded defined benefit plans totalled 569 million euro at the end of December 2025, while at the end of 2024 it amounted to 652 million euro.

SECTION 10 – ALLOWANCES FOR RISKS AND CHARGES – CAPTION 100

10.1 Allowances for risks and charges: breakdown

(millions of euro)

Captions/Components	31.12.2025	31.12.2024
1. Allowances for credit risk associated with commitments and financial guarantees given	**554**	**427**
2. Allowances on other commitments and other guarantees given	**-**	**-**
3. Post-employment benefits	**30**	**60**
4. Other allowances for risks and charges	**2,266**	**2,733**
4.1 legal disputes	529	595
4.2 personnel charges	1,466	1,867
4.3 other	271	271
Total	**2,850**	**3,220**

There are no cases classifiable under caption 2. Allowances on other commitments and other guarantees given.
The contents of caption 4. Other allowances for risks and charges are illustrated in point 10.6 below.

10.2 Allowances for risks and charges: annual changes

(millions of euro)

	Allowances on other commitments and other guarantees given	Post-employment benefits	Other allowances for risks and charges	Total
A. Initial amount	**-**	**60**	**2,733**	**2,793**
B. Increases	**-**	**4**	**904**	**908**
B.1 Provisions in the year	-	2	866	868
B.2 Time value changes	-	2	26	28
B.3 Changes due to discount rate variations	-	-	1	1
B.4 Other	-	-	11	11
- of which business combinations	-	-	-	-
C. Decreases	**-**	**-34**	**-1,371**	**-1,405**
C.1 Uses in the year	-	-23	-1,349	-1,372
C.2 Changes due to discount rate variations	-	-	-2	-2
C.3 Other	-	-11	-20	-31
- of which business combinations	-	-	-	-
D. Final amount	**-**	**30**	**2,266**	**2,296**

Other allowances for risks and charges include net provisions of 126 million euro to caption 170, letter b) of the income statement and net provisions to other income statement captions, for the residual amount. The latter included the provision made following the personnel exit incentives agreement signed with the trade unions on 10 December 2025, supplementing the agreement signed with the trade unions on 23 October 2024.

10.3 Allowances for credit risk associated with commitments and financial guarantees given

(millions of euro)

	Allowances for credit risk associated with commitments and financial guarantees given				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	Total
1. Commitments to disburse funds	84	55	43	-	182
2. Financial guarantees given	14	29	329	-	372
Total	**98**	**84**	**372**	**-**	**554**

10.4 Allowances on other commitments and other guarantees given

As at 31 December 2025, there were no allowances on other commitments and other guarantees given.

10.5 Post-employment defined benefit plans

1. Illustration of the characteristics of the funds and related risks

As already illustrated in Part A – Accounting policies, for defined benefit plans, the liability of the Bank, according to IAS 19 "Employee Benefits", is determined via the "projected unit credit method" by an independent actuary. The liability is recognised net of any plan assets of each Pension Fund and the actuarial gains and losses calculated in the valuation process for the plans are recognised in the statement of comprehensive income and, therefore, in shareholders' equity.

The defined benefit plans, in which Intesa Sanpaolo S.p.A. is jointly responsible, can be distinguished in:

– internal funds;
– external funds.

Internal funds include:

– Three defined benefit plans in force for the London branch, relating to the former Cariplo, Banca Commerciale Italiana and Banco Ambrosiano Veneto branches. The private pension funds have been set up by the UK employers to integrate the levels of the local state pension, which has always been very low. The London branches of Cariplo, Banca Commerciale Italiana and Banco Ambrosiano Veneto set up defined benefit plans for their employees at the time of their opening, under the form of Trusts incorporated under English law and managed by Boards of Trustees, appointed partly by the employers and partly by beneficiaries. Such funds are operational for employees hired until the end of 1999 for Banco Ambrosiano Veneto and Cariplo and until the end of 2000 for Banca Commerciale Italiana. In general, all funds guarantee a pension payable when the beneficiary turns 65 and the benefit is determined, with different rules for the various funds, on the basis of the annual gross wage received in the last year of service.

External funds include:

- the Intesa Sanpaolo Group Defined-Benefit Fund "Fondo Pensione a Prestazione definita del Gruppo Intesa Sanpaolo", the name given to the former Supplementary Pension Fund for the Employees of Banco di Napoli "Fondo Pensione Complementare per il Personale del Banco di Napoli – Sezione A", identified as a collector of other "defined benefit" forms under the reorganisation and rationalisation of the existing pension schemes within the Intesa Sanpaolo Group, with protection of the rights of the (active and retired) subscribers. To this end, the "Fund" – in the virtually separated sections – has been assigned the asset captions contained in the financial statements of the pre-existing pension schemes, in order to ensure full coverage of the supplementary benefits. For that reason, with regard to this Pension Fund, liabilities to be recorded in the financial statements (net of the plan assets) are calculated section by section, considering the specific characteristics of each base. The Fund, which is a legal entity with independently managed assets, includes the following: employees enrolled in the plan and other beneficiaries from former Banco di Napoli; retired employees receiving Supplementary Pension Cheques, formerly the Sanpaolo IMI internal fund; retired employees from the former Banca Nazionale delle Comunicazioni; current and retired employees of Cassa di Risparmio in Bologna, formerly enrolled in the Complementary pension fund for the employees of said bank, transferred to the Fund in question in 2004; retired employees of the Complementary pension fund of the former Fin.Opi, transferred to the Fund in question on 1 June 2005; current and retired employees of the former Banca Popolare dell'Adriatico, formerly enrolled in the Pension fund for the employees of Banca Popolare dell'Adriatico, transferred to the Fund in question on 30 June 2006; retired employees of Cassa di Risparmio di Udine e Pordenone, formerly enrolled in the Complementary pension fund for the employees of said bank, transferred to the Fund in question in 2006; retired employees of Cassa di Risparmio di Forlì, formerly enrolled in the Complementary pension fund for the employees of said bank, transferred to the Fund in question on 1 January 2007; retired employees of the former Carive internal Fund, transferred to the Fund in question on 1 January 2008; retired employees of the former CR Firenze FIP internal fund, transferred to the Fund in question on 1 January 2010; retired employees of Cassa di Risparmio di Pistoia e Pescia internal fund, transferred to the Fund in question on 1 September 2012; retired tax-collection personnel of the Supplementary pension fund for tax-collection personnel formerly employed by Cariplo, transferred to the Fund in question on 1 January 2015; retired employees formerly enrolled in the Supplementary pension fund for employees of Mediocredito Lombardo S.p.A., transferred to the Fund in question on 1 January 2015; retired employees formerly enrolled in the Pension Fund for key Managers, former Key Managers and entitled parties of former Comit, transferred to the Fund in question on 1 January 2015; retired employees formerly enrolled in the "Casse del Centro" Pension Funds, in particular those enrolled in the Supplementary INPS benefits fund for the compulsory insurance for invalidity, old-age and survivors for personnel of Cassa di Risparmio di Città di Castello, Supplementary INPS benefits fund for the compulsory insurance for invalidity, old-age and survivors for personnel of Cassa di Risparmio di Foligno, Company supplementary pension AGO fund for employees of Cassa di Risparmio di Spoleto, Supplementary/complementary pension fund for the mandatory pension for employees of Cassa di Risparmio di Rieti, Pension fund for the Employees of Cassa di Risparmio della Provincia di Viterbo and Company supplementary pension fund for employees of Cassa di Risparmio di Ascoli Piceno, transferred to the Fund in question on 1 January 2015; retired employees formerly enrolled in the Company supplementary pension fund of INPS benefits for employees of Cassa di Risparmio di Civitavecchia, transferred to the Fund in question on 1 January 2015; retired employees formerly enrolled in the supplementary fund of SIL – Società Italiana Leasing S.p.A., transferred to the Fund in question on 1 January 2015; retired employees formerly enrolled in the Supplementary Pension Fund for the personnel of Banca Monte Parma, transferred to the Fund in question on 1 January 2016; employees and retired employees formerly enrolled in the Pension Fund for the personnel of the former Crediop hired before 30 September 1989, transferred to the Fund in question on 1 January 2016; retired employees formerly enrolled in the Supplementary Pension Fund for the personnel of Cassa di Risparmio di Mirandola, transferred to the Fund in question on 1 April 2016; retired employees formerly enrolled in the Pension Fund for the Personnel of the former Cassa di Risparmio di Prato transferred to the Fund in question on 1 May 2018; retired employees formerly enrolled in the Defined Benefit Plan of the former Cassa di Risparmio di Fabriano e Cupramontana transferred to the Fund in question on 1 May 2018; current and retired employees of the Supplementary pension fund for the personnel of Istituto Bancario Sanpaolo di Torino, transferred to the Fund in question on 1 January 2019; retired employees of the Supplementary pension fund for the personnel of Cassa di Risparmio di Padova e Rovigo, transferred to the Fund in question on 1 July 2019; employees and retired employees formerly enrolled in the former UBI Banca internal Funds - which include the Funds relating to the former Centrobanca (former Supplementary Pension Fund for employees of Centrobanca - former Banca Centrale di Credito Popolare S.p.A.), former Banca Regionale Europea (former Fund for the personnel of Banca Regionale Europea from the former Banca del Monte di Lombardia and the former Cassa di Risparmio di Cuneo), former Carime (former Fund of the former Cassa di Risparmio di Calabria e Lucania, Fund of the former Cassa di Risparmio di Puglia, Fund of the former Cassa di Risparmio Salernitana) and former Banca Adriatica (former Retirement Fund for the personnel of the loans business line of the former Cassa di Risparmio di Macerata S.p.A., Retirement Fund for the personnel of the former Banca Ca.Ri.Ma. transferred to Se.Ri.Ma - now Equitalia Servizi di Riscossione S.p.A., Retirement Fund for the personnel of the former Mediocredito Fondiario Centro Italia S.p.A., Retirement Fund for personnel in the tax-collection segment of the former Cassa di Risparmio di Pesaro, Retirement Fund for the personnel of the former Cassa di Risparmio di Jesi, Retirement Fund for personnel in the tax-collection segment of the former Cassa di Risparmio di Pesaro S.p.A. transferred to the former SE.RI.T. S.p.A.) - transferred to the Fund in

question on 1 July 2022; retired employees formerly enrolled in the Pension Fund of the former UBI Banca Group of the former Banca Popolare di Bergamo and its subsidiaries, transferred to the Fund in question on 1 September 2022; and retired employees formerly enrolled in the Pension Fund for the Personnel of the former Banca Popolare di Ancona and its subsidiaries, transferred to the fund in question on 1 September 2022; employees and retired employees formerly enrolled in the former Retirement Fund of the Cassa di Risparmio di Firenze, transferred to the Fund in question on 1 January 2023. It should be clarified that the Articles of Association of the Defined-Benefit Fund of the Intesa Sanpaolo Group provide for the immediate settlement by the co-obligated Banks, if sections of the Fund present a technical imbalance determined according to the statutory methodology (without prejudice to provisions to the contrary in trade union agreements). Any outlays to settle the technical imbalance to be made in the next year will be determined at the time the financial statements of the Fund are approved, which is scheduled for June 2026;

- Pension fund for the employees of Cariplo, a fund with legal status and full economic independence, whose aim is to guarantee supplementary pension treatment in addition to AGO cheques to former Cariplo employees already retired on 30 June 1998;
- a defined benefit plan at the New York branch: the fund was established in 1977 by the branch of Banca Commerciale Italiana and guarantees a pension treatment to all the employees resident in the United States who have been in service at the Bank for at least 5 years. The benefit is considered to be accrued even if the employment relationship ceases in advance. The benefit is calculated based on the highest average wage considering three consecutive years out of the last 10 years of service, or, if the employment relationship ceases before, based on the average wage in the last three years of service. Wags after 31 December 2007 are not included in the calculation. The fund is fully managed by Empower.

In 2025, the process of integrating the Group's existing Italian supplementary pension schemes was initiated, identifying the Intesa Sanpaolo Group Pension Fund as the "collector" of defined contribution and defined benefit pension schemes. To this end, two separate sections have been set up within the Group Pension Fund: Section A, which will operate under a defined contribution scheme, and Section B, which will operate under a defined benefit scheme.
The integration operation, communicated to the supervisory authority Covip, provides for the collective transfer of the positions of members of the Intesa Sanpaolo Group Defined-Benefit Fund and the Cariplo Staff Pension Fund, resulting in the defined-benefit section, after the exercise of a capitalisation offer, with full continuity of benefits and guarantees, in compliance with the law and the provisions of the respective Articles of Association of the original Funds.
In this context, on 13 May 2025, Intesa Sanpaolo S.p.A., also in its capacity as Parent Company, signed an agreement with the Trade Unions, as Fund Founders, to implement the integration of the Intesa Sanpaolo Group Defined-Benefit Fund into the Intesa Sanpaolo Group Pension Fund effective from 1 January 2026. In line with the agreement, in June 2025 an individual supplementary benefit capitalisation offer was made to members. The subscriptions received led to a decrease in the reduction of the obligation by about 181 million euro in the current year, which was partly covered by the Fund's assets and, for approximately 21 million, through the use of the retirement funds specifically set up at the Bank, under the guarantee given.
A second agreement, finalised on the same date, stipulates a similar integration for the Cariplo Staff Pension Fund, effective from 1 January 2027. Here too, the agreement provides for the formulation of an individualised supplementary benefit capitalisation offer to members, which will take effect on 1 June 2026.

With regard to the investment and integrated risk management policies, the Funds verify the level of coverage and the possible outcomes under various scenarios. For this purpose, various investment configurations and portfolio mixes and allocations are defined, in order to satisfy the pension and profitability objectives as adequately as possible.

2. Changes in the year of net liabilities (assets) with defined benefits and redemption rights

(millions of euro)

Pension plan liabilities defined benefit obligations	31.12.2025			31.12.2024		
	Employee termination indemnities	Internal plans	External plans	Employee termination indemnities	Internal plans	External plans
Initial amount	**652**	**116**	**838**	**717**	**94**	**925**
Current service costs	3	1	1	3	1	2
Recognised past service costs	-	-	-	-	-	-
Interest expense	17	6	23	22	5	29
Actuarial losses due to changes in financial assumptions	-	-	-	9	-	11
Actuarial losses due to changes in demographic assumptions	-	-	10	1	-	-
Actuarial losses based on past experience	-	1	11	-	15	9
Positive exchange differences	-	-	-	-	5	1
Increases - business combinations	-	-	-	-	-	-
Participants' contributions	X	-	-	X	-	-
Actuarial profits due to changes in financial assumptions	-17	-7	-21	-	-	-2
Actuarial profits due to changes in demographic assumptions	-	-	-	-	-1	-21
Actuarial profits based on past experience	-	-	-3	-6	-	-21
Negative exchange differences	-	-6	-2	-	-	-
Benefits paid	-106	-4	-83	-80	-3	-97
Decreases - business combinations	-	-	-	-	-	-
Curtailments of the fund	X	-	-	X	-	-
Settlements of the fund	X	-	-181	X	-	-
Other increases	33	-	-	20	-	2
Other decreases	-13	-	-	-34	-	-
Final amount	**569**	**107**	**593**	**652**	**116**	**838**

Pension plan liabilities defined benefit obligations	31.12.2025			31.12.2024		
	Employee termination indemnities	Internal plans	External plans	Employee termination indemnities	Internal plans	External plans
Unfunded plans	569	-	-	652	-	-
Partly funded plans	-	-	-	-	-	-
Wholly funded plans	-	107	593	-	116	838

Actuarial losses recognised due to changes in financial assumptions are mainly due to the increase in the discount rate. The actuarial losses recognised due to changes in demographic assumptions mainly depend on the updating of mortality rates of the general population of Italy. On the basis of actuarial calculations, the present value of the defined benefit obligations, excluding Employee termination indemnities, was as follows.

Internal plans
– as said before, the final amount refers to defined benefit plans at the London branch, entirely contributed by Intesa Sanpaolo S.p.A.

External plans
– 271 million euro referred to the Intesa Sanpaolo Group Defined-Benefit Fund (of which 267 million euro pertaining to Intesa Sanpaolo S.p.A.);
– 303 million euro referred to the Pension fund for employees of Cariplo, entirely contributed by Intesa Sanpaolo S.p.A.;
– 19 million euro referred to defined benefit plans at the New York branch, entirely contributed by Intesa Sanpaolo S.p.A.

3. Information on the fair value of plan assets

The following tables show the changes in plan assets for certain defined benefit plans and their composition.

(millions of euro)

Plan assets	31.12.2025		31.12.2024	
	Internal plans	External plans	Internal plans	External plans
Initial amount	**132**	**913**	**124**	**928**
Return on assets net of interest	-10	8	-3	48
Interest income	6	21	5	27
Positive exchange differences	-	-	6	1
Increases - business combinations	-	-	-	-
Employer contributions	2	22	2	2
Participants' contributions	-	-	-	-
Negative exchange differences	-7	-2	-	-
Decreases - business combinations	-	-	-	-
Benefits paid	-4	-83	-3	-97
Curtailments of the fund	-	-	-	-
Settlements of the fund	-	-181	-	-
Other changes	-	5	1	4
Final amount	**119**	**703**	**132**	**913**

The final amount of the internal plans refers to defined benefit plans at the London branch.

The final amount of external plans was broken down as follows:
– 369 million euro relating to the Intesa Sanpaolo Group Defined-Benefit Fund;
– 316 million euro referred to the Pension fund for employees of Cariplo;
– 18 million euro referred to defined benefit plans at the New York branch.

(millions of euro)

Plan assets: additional information	31.12.2025				31.12.2024			
	Internal plans	%	External plans	%	Internal plans	%	External plans	%
Equities	**-**	**-**	**41**	**5.8**	**-**	**-**	**241**	**26.4**
- of which level 1 fair value	-		41		-		212	
Mutual funds	**-**	**-**	**63**	**9.0**	**-**	**-**	**72**	**7.9**
- of which level 1 fair value	-		2		-		30	
Debt securities	**119**	**100.0**	**405**	**57.6**	**132**	**100.0**	**327**	**35.8**
- of which level 1 fair value	119		405		132		327	
Real estate assets and investments in real estate companies	**-**	**-**	**167**	**23.8**	**-**	**-**	**203**	**22.2**
- of which level 1 fair value	-		-		-		-	
Insurance business	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- of which level 1 fair value	-		-		-		-	
Other assets	**-**	**-**	**27**	**3.8**	**-**	**-**	**70**	**7.7**
- of which level 1 fair value	-		-		-		-	
TOTAL	**119**	**100.0**	**703**	**100.0**	**132**	**100.0**	**913**	**100.0**

(millions of euro)

Plan assets: additional information	31.12.2025				31.12.2024			
	Internal plans	%	External plans	%	Internal plans	%	External plans	%
Equities	**-**	**-**	**41**	**5.9**	**-**	**-**	**241**	**26.4**
- of which financial companies	-		7		-		69	
- of which non financial companies	-		34		-		172	
Mutual funds	**-**	**-**	**63**	**9.0**	**-**	**-**	**72**	**7.9**
Debt securities	**119**	**100.0**	**405**	**57.6**	**132**	**100.0**	**327**	**35.8**
Government bonds	34		361		100		210	
- of which investment grade	*34*		*361*		*100*		*210*	
- of which speculative grade	*-*		*-*		*-*		*-*	
Financial companies	58		31		32		72	
- of which investment grade	*58*		*30*		*32*		*69*	
- of which speculative grade	*-*		*1*		*-*		*3*	
Non Financial companies	27		13		-		45	
- of which investment grade	*27*		*13*		*-*		*41*	
- of which speculative grade	*-*		*-*		*-*		*4*	
Real estate assets and investments in real estate companies	**-**	**-**	**167**	**23.8**	**-**	**-**	**203**	**22.2**
Insurance business	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other assets	**-**	**-**	**27**	**3.7**	**-**	**-**	**70**	**7.7**
TOTAL ASSETS	**119**	**100.0**	**703**	**100.0**	**132**	**100.0**	**913**	**100.0**

The difference between net defined benefit liabilities (see the previous disclosure, Table 10.5, point 2) and the plan assets (see the previous disclosure, Table 10.5, point 3) is recognised, based on the criteria illustrated in paragraph 10.5, point 1 above, under the company post-employment plans.
The internal plans are subject to the effect of the limitation of the asset ceiling determined pursuant to IFRIC 14, amounting to 12 million euro as at 31 December 2025 (16 million euro as at 31 December 2024).

4. Description of the main actuarial assumptions

The table below indicates the actuarial assumptions and interest rates used by the various funds.

Actuarial assumptions	31.12.2025				31.12.2024			
	Discount rate	Expected rate of return	Expected rate of wage rises (a)	Annual inflation rate	Discount rate	Expected rate of return	Expected rate of wage rises (a)	Annual inflation rate
EMPLOYEE TERMINATION INDEMNITIES	3.4%	X	2.5%	1.9%	2.9%	X	2.6%	1.9%
INTERNAL PLANS	5.6%	5.6%	2.7%	2.7%	5.3%	0.0%	2.9%	2.9%
EXTERNAL PLANS	4.0%	4.0%	2.1%	1.9%	3.7%	4.7%	2.7%	2.0%

(a) Net of career developments.

The discount rate of external plans for 2025 was 5.3% for the New York branch (5% for 2024) and varies from 3.3% to 3.5% for Italian Funds (the range was 2.9% to 3.1% in 2024).

The Intesa Sanpaolo Group primarily uses the Eur Composite AA rate as its discounting rate, weighted by the ratio of payments and advances referring to each maturity, on the one hand, and the total amount of payments and advances to be made for the final fulfilment of the entire obligation, on the other. In the case of defined-benefit plans in particular, the rate used is the average rate that reflects the market parameters covered by the plan. The Eur Composite AA curve is obtained daily from the Bloomberg's information provider and refers to a basket of securities issued by investment-grade corporate issuers included in the AA rating class, residing in the Eurozone and belonging to various sectors.

Likewise, the Intesa Sanpaolo Group mainly uses the European Zero-Coupon Inflation-Indexed Swap rate curve, weighted on the basis of the ratio of the amount paid for each maturity and the total amount to be paid until the obligation is finally discharged in full, as the inflation rate.

5. Information on amount, timing and uncertainty of cash flows

(millions of euro)

Sensitivity analysis	31.12.2025					
	EMPLOYEE TERMINATION INDEMNITIES		INTERNAL PLANS		EXTERNAL PLANS	
	+100 bp	-100 bp	+100 bp	-100 bp	+100 bp	-100 bp
Discount rate	538	604	95	123	555	636
Rate of wage rises	569	569	115	100	595	591
Inflation rate	593	547	111	104	625	564

The sensitivity analysis is not conducted on the expected rate of return as it has no effect on the calculation of the liabilities.

The sensitivity analysis was carried out on the net defined benefit liabilities pursuant to the previous disclosure, 10.5, point 2.
The absolute values of the data presented indicate the possible amount of net defined benefit liabilities in the event of a change in rate of +/-100 basis points.
The average duration of the defined benefit obligation is 8.7 years for pension funds and 6.7 years for employee termination indemnities.

6. Multi-employer plans

The Bank has the following defined benefit plans regarding more than one employer:

– Pension Fund for the employees of the former Crediop hired before 30 September 1989, which on 1 January 2016 was transferred to the former Supplementary Pension Fund for the Employees of Banco di Napoli (now the Intesa Sanpaolo Group Defined-Benefit Fund "Fondo Pensione a Prestazione Definita del Gruppo Intesa Sanpaolo"). The commitments of Crediop S.p.A. (now Dexia-Crediop) and the former Sanpaolo IMI (now Intesa Sanpaolo S.p.A.) with regard to the Fund are governed by the agreement entered into between the parties on 28 May 1999. Its transfer into the Intesa Sanpaolo Group Defined-Benefit Fund "Fondo Pensione a Prestazione Definita del Gruppo Intesa Sanpaolo" did not modify the guarantees and commitments undertaken by the parties in the past;
– Retirement Fund for former employees of Banca Ca.Ri.Ma., transferred to Se.Ri.Ma. (now Equitalia Servizi di Riscossione S.p.A.), whose tax collection services were transferred on 1 January 1990 to the former Equitalia Marche S.p.A. (currently Agenzia delle Entrate - Riscossione) which was transferred to the Intesa Sanpaolo Group Defined-Benefit Fund on 1 July 2022. The trade union agreement and agreements between subscribers of the operation sanctioned that the then-parent company Ca.Ri.Ma. (then former Banca Marche S.p.A., then former Nuova Banca Marche S.p.A. and subsequently former Banca Adriatica S.p.A., then merged into former UBI Banca, in turn merged into Intesa Sanpaolo S.p.A.) would continue to allocate in its financial statements the mathematical reserves pertaining to personnel hired before the operation was finalised;
– Pension Fund for the Personnel of the former Banca Popolare di Ancona and its subsidiaries, transferred on 1 September 2022 to the Intesa Sanpaolo Group Defined-Benefit Fund, which provides a guarantee of settlement of the respective shares of the subscribers by Intesa Sanpaolo S.p.A. (former UBI Banca) and Credito Valtellinese.

7. Defined benefit plans that share risks among entities under joint control

The Intesa Sanpaolo Group Defined-Benefit Fund is a defined-benefit plan that shares the risks amongst the various Group companies. These Companies issue a joint guarantee for their registered employees and pensioners with respect to the subject pension entities.
The liabilities of each jointly responsible Company are determined by an Independent Actuary through the "projected unit credit method" and are recorded in the financial statements net of the plan assets. Similarly, the current service cost, which represents the average present value at the measurement date of the benefits accrued by workers in service during the year, is calculated for each Company by said Actuary.
Each jointly responsible Company reports in this section, for each table, the total liabilities/assets of the Funds for which it is jointly responsible, highlighting at the bottom of said tables the liability/asset amount under their responsibility.

10.6 Allowances for risks and charges – Other allowances

(millions of euro)

Captions/Components	31.12.2025	31.12.2024
Other allowances		
1. legal and tax disputes	529	595
2. personnel charges	1,466	1,867
incentive-driven exit plans	*694*	*999*
employee seniority bonuses	*18*	*21*
other personnel expenses	*754*	*847*
3. other risks and charges	271	271
Total	**2,266**	**2,733**

Other allowances refers to:
– Legal and tax disputes: the allowance was set up mainly to cover expected outlay for litigation, revocatory action and tax disputes;
– Personnel charges: the allowance includes charges for incentive-driven exit plans, employee seniority bonuses (calculated on the basis of actuarial assumptions) and provisions for bonuses and other charges relating to employees; the charges for exit incentives during 2025 included those relating to the agreement signed with the trade unions on 10 December 2025, which supplements the agreement signed with the trade unions on 23 October 2024;
– Other risks and charges: these mainly refer to charges connected with the sale of portfolios of NPLs and other charges relating to sundry obligations.

SECTION 11 – REDEEMABLE SHARES – CAPTION 120

11.1 Redeemable shares: breakdown

These are not present in Intesa Sanpaolo.

SECTION 12 – PARENT COMPANY'S SHAREHOLDERS' EQUITY – CAPTIONS 110, 130, 140, 145, 150, 160, 170 AND 180

12.1 Share capital and Treasury shares: breakdown

As at 31 December 2025, the Bank's portfolio amounts to 25,657,588 treasury shares fully paid in. The treasury shares have no par value and represent 0.15% of the share capital.
For information on this section, see point 12.3 below.

12.2 Share capital – Parent Company's number of shares: annual changes

Captions/Type	Ordinary
A. Initial number of shares	**17,803,670,501**
- fully paid-in	*17,803,670,501*
- not fully paid-in	-
A.1 Treasury shares (-)	-25,629,058
A.2 Shares outstanding: initial number	**17,778,041,443**
B. Increases	**27,179,067**
B.1 New issues	-
- for consideration:	-
- business combinations	-
- conversion of bonds	-
- exercise of warrants	-
- other	-
- for free:	-
- in favour of employees	-
- in favour of directors	-
- other	-
B.2 Sale of treasury shares	27,179,067
B.3 Other	-
C. Decreases	**-417,488,485**
C.1 Annulment	-390,280,888
C.2 Purchase of treasury shares	-27,207,597
C.3 Disposal of companies	-
C.4 Other	-
D. Shares outstanding: final number	**17,387,732,025**
D.1 Treasury shares (+)	25,657,588
D.2 Final number of shares	17,413,389,613
- fully paid-in	-
- not fully paid-in	-

In 2025, capital was affected by the annulment of 390,280,888 ordinary shares following the purchase of own shares in the period from 2 June to 17 October 2025 in execution of the buyback plan announced to the market on 26 May 2025. During that period, a total of 390,280,888 shares with no par value were purchased, equal to around 2.19% of the pre-annulment share capital, at an average purchase price per share of 5.1245 euro, for a total value of 1,999,999,997.95 euro. The shares were annulled on 12 October 2025; as a result of the annulments, the share capital changed its composition, due to the reduction in the number of shares constituting it, while its amount remained unchanged at 10,368,870,930.08 euro.

The caption "Purchase of own shares" includes purchases to service the free assignment plans for personnel. The programme was launched on 8 September 2025 and ended on 15 September 2025, resulting in the purchase of 16,545,236 ordinary shares of the Bank at an average purchase price per share of 5.4347 euro for a total amount of 89,918,725.76 euro. The purchase transactions were executed in compliance with the provisions included in Articles 2357 and following and 2359-bis and following of the Italian Civil Code and within the limits determined in the resolutions passed by the Shareholders' Meeting of Intesa Sanpaolo of 29 April 2025.

12.3 Share capital: other information

The share capital of the Bank as at 31 December 2025 amounted to 10,369 million euro, divided into 17,413,389,613 ordinary shares, with no par value. Each ordinary share gives the right to one vote in the Shareholders' Meeting. The share capital is fully paid-in.
There are no liens or pledges on the Bank's shares and, as regards the constraints on the distribution of dividends and the redemption of capital, please refer to the statement containing a summary of shareholders' equity captions broken down by origin and with an indication of the possibility of use and distributability pursuant to Article 2427, paragraph 1, no.7-bis of the Italian Civil Code set out in point 12.4.

Entries made in accordance with IFRS 3 regarding the merger between Banca Intesa and Sanpaolo IMI, finalised on 1 January 2007, generated a reserve of 23,734 million euro as at 31 December 2025, equal to the difference between the acquisition cost of the Sanpaolo IMI Group and the nominal value of the shares issued to service the exchange. In the 2007 financial statements, it was reported under share premium reserve, based on the opinions expressed by legal experts. This reserve will be reported differently should the Law or Supervisory Authorities indicate a different solution.

For completeness, the following movements are reported that occurred in the share premium reserve during the year:
– reduction of 1,999,999,997.95 euro, resulting from the annulment of the own shares under the buyback programme described above, in addition to contingency rebates, net of tax, of 9,073,382.28 euro;
– recognition of the cost of 547,647,725.93 euro, relating to the one-off levy envisaged by Article 1, paragraphs 69-72 of Law No. 199 of 30 December 2025. The Shareholders' Meeting of Intesa Sanpaolo to which the approval of the 2025 Financial Statements is submitted is called upon to decide on the approval of the allocation of the above-mentioned levy to the Share Premium Reserve, as identified by the Board of Directors on 2 February 2026.
– positive change in the share premium reserve of 7,827,070.77 euro related to the sale and assignment of treasury shares.

12.4 Reserves from retained earnings: other information

Reserves amounted to 4,996 million euro and included legal reserve, extraordinary reserve, concentration reserves (Law 218 of 30 July 1990, Art. 7, par. 3, and Law 218 of 30 July 1990, Art. 7) and other reserves.
The legal reserve, set up as provided for by law, must be at least one fifth of share capital; in the past it was set up by allocating each year at least one twentieth of net income for the year. Should the reserve decrease, it must be reintegrated through mandatory allocation of at least one twentieth of net income for the year.
Concentration reserves under Law 218 of 30 July 1990 were set up at the time of reorganisations or concentrations carried out pursuant to the aforementioned law.
Other reserves included reserves pertaining to international branches and other reserves set up in the past following specific legal provisions. They also include the reserve established pursuant to Article 26, paragraph 5-bis of Decree Law no. 104 of 10 August 2023, converted with amendments by Law no. 136 of 9 October 2023.

Valuation reserves amounted to 885 million euro and included reserves of financial assets measured at fair value through other comprehensive income, reserves for cash flow hedging derivatives, financial liabilities designated at fair value through profit or loss (changes in the Bank's own credit rating) and revaluations of net defined benefit liabilities (assets), as well as legally-required revaluation reserves and revaluation reserves of properties and valuable art assets.

In 2025, the reserves underwent the following changes:
– allocation to the extraordinary reserve of the residual 2024 net income of 1,440,277 euro, per the resolution of the ordinary Shareholders' Meeting of 29 April 2025; on that same date, through reversal from the extraordinary reserve, the share of the 2024 net income corresponding to the capital gains recognised in the income statement of 303,700,836 euro was entered to an unavailable reserve pursuant to Article 6, paragraph 1, letter a), of Legislative Decree No. 38/2005;
– allocation to other reserves of the total net negative amount of 417,245,254 euro for the coupons paid to subscribers of the Additional Tier 1 instruments, net of the related taxes;
– adjustment of the reserves for the Equity Settled Share Based Payment plans (named "LECOIP 3.0" and targeted to all employees), the Performance Share Plan (known as the PSP and aimed at all of the Group's Management, including the Managing Director and CEO, the remaining Top Risk Takers and the Other Risk Takers of the Group, both in Italy and abroad), for a total positive amount of 155,547,403 euro;
– allocation to other reserves of the total net negative amount of 75,454,860 euro for the realisation component of certificates measured under the fair value option;
– recognition in other reserves pursuant to IFRS 2 of the fair value of the shares to be granted to Top Management under the equity settled plans reserved for them for a total net positive amount of 11,605,137 euro;
– transfer to other reserves of the valuation reserves for the gains/losses realised on property and equipment measured at fair value and on defined benefit pension plans, for a total net negative amount of 6,919,641 euro;
– transfer on 31 December 2025 from unavailable reserve, pursuant to Article 6, paragraph 3, of Legislative Decree No. 38/2005, to extraordinary reserve of 378,253,966 euro, attributable to the realisation of capital gains or the recognition of capital losses for the year;
– other effects, for a total net positive amount of 995,921 euro.

(millions of euro)

	Amount as at 31.12.2025	Principal	Portion of net income	Portion subject to a suspended tax regime	Portion available (a)	Uses in the past three years
Shareholders' equity						
– Share capital	10,369	7,824	759	1,786	-	-
– Equity instruments	7,686	7,725	-39	-	-	-
– Share premium reserve - available portion (b)	24,437	10,503	10,265	3,669	A, B, C	1,198
– Legal reserve	2,125	520	1,605	-	A(1), B, C(1)	-
– Extraordinary reserve	2,116	320	1,796	-	A, B, C	-
– Concentration reserve (Law 218 of 30/7/1990, art. 7, par. 3)	302	-	-	302	A, B(2), C(3)	-
– Concentration reserve (Law 218 of 30/7/1990, art. 7, par 2)	366	-	-	366	A, B(2), C(3)	-
– Other reserves, of which:						
Legal Reserve Branches abroad	*11*	*-*	*11*	*-*	*A, B, C*	*-*
Reserve for contribution to LECOIP 3.0 / PSP incentive plans	*549*	*537*	*12*	*-*	*A*	*-*
IFRS 2 reserve for employee incentive scheme	*89*	*89*	*-*	*-*	*A*	*-*
Reserve for AT1 equity instruments coupons	*-2,671*	*-*	*-2,671*	*-*	*-*	*-*
Suspended tax reserve former UBI Banca	*421*	*-*	*-*	*421*	*A, B, C*	*-*
Unavailable net income reserve pursuant to Article 6 of Legislative Decree 38/2005	*469*	*-*	*469*	*-*	*B*	*-*
Net income reserve pursuant to Law 136 of 9/10/2023 (c)	*1,991*	*-*	*1,991*	*-*	*A(4), B(5)*	*-*
Stock option plans reserve	*42*	*-*	*42*	*-*	*A*	*-*
Reserves: other	*-814*	*-*	*-818*	*4*	*-*	*-*
– Valuation reserves						
Revaluation reserve (Law 576 of 2/12/1975)	*4*	*-*	*-*	*4*	*A, B(2), C(3)*	*-*
Revaluation reserve (Law 72 of 19/3/1983)	*146*	*-*	*-*	*146*	*A, B(2), C(3)*	*-*
Revaluation reserve (Law 408 of 29/12/1990)	*9*	*-*	*-*	*9*	*A, B(2), C(3)*	*-*
Revaluation reserve (Law 413 of 30/12/1991)	*380*	*-*	*-*	*380*	*A, B(2), C(3)*	*-*
Revaluation reserve (Law 342 of 22/11/2000)	*460*	*-*	*-*	*460*	*A, B(2), C(3)*	*-*
FVOCI valuation reserve	*-1,368*	*-*	*-1,368*	*-*	*-*	*-*
Property and equipment and intangible assets valuation reserve	*1,777*	*-*	*1,777*	*-*	*(6)*	*-*
CFH valuation reserve	*-145*	*-*	*-145*	*-*	*-*	*-*
Defined benefit plans valuation reserve	*-149*	*-*	*-149*	*-*	*-*	*-*
Financial liabilities designated at fair value through profit or loss valuation reserve	*-229*	*-*	*-229*	*-*	*-*	*-*
– Treasury shares	-126	-126	-	-	-	-
– Interim dividend	-3,234	-	-3,234	-	-	-
Total Capital and Reserves	**45,013**	**27,392**	**10,074**	**7,547**	(7)	-
Non-distributable portion (d)	10,046	-	-	-	-	-

(a) A = capital increase; B = loss coverage; C = distribution to shareholders.

(b) This reserve includes 23,734 million euro originating from the merger between Banca Intesa and Sanpaolo IMI, as a result of the application of IFRS 3 concerning business combinations.
Pending the issue of legal measures concerning the classification of the reserve recognised in application of that accounting standard, this reserve is considered unavailable up to the amount of goodwill and intangible assets recognised in the financial statements. It should be noted that, solely for the amount classified as suspended tax, if the reserve is used to cover losses, net income cannot be distributed unless the reserve is replenished or reduced by the corresponding amount. In addition, if the suspended tax amount is distributed to shareholders, it contributes to the formation of the company income. The portion subject to tax suspension, equal to 3,669 million euro, includes 1,685 million euro relating to the realignment of the tax values to the higher carrying amounts of several real estate assets in accordance with Article 1, paragraph 948, of Law 145/2018 and 1,473 million euro relating to the realignment of the tax values of the brand name and other intangible assets to the higher carrying amounts pursuant to Article 110, paragraphs 8 and 8 bis of Decree Law 104/2020. The balance of the reserve as at 31 December 2025 reflects the cost, amounting to 548 million euro, relating to the one-off levy to the Net income reserve pursuant to Law 136 of 9/10/2023 ("2023 Reserve"), detailed in point c) below, envisaged by Article 1, paragraphs 69-72 of Law No. 199 of 30 December 2025.

(c) This reserve originates from the resolution approving the 2023 Financial Statements which provided for the allocation of around 1,991 million euro to the non-distributable reserve (corresponding to 2.5 times the one-off tax), in accordance with Article 26 paragraph 5-bis of Decree Law no. 104 of 10 August 2023, converted with amendments by Law no. 136 of 9 October 2023.

(d) The non-distributable portion mainly relates to the revaluation reserves, the valuation reserves established as a direct offsetting entry to the fair value measurement of property and equipment, the reserve established under the long-term incentive plans, a portion of the share premium reserve, the other suspended tax reserves, the share of net income corresponding to the capital gains recognised in the income statement of the previous year, net of the related tax expense, arising from the application of the fair value measurement, pursuant to Article 6, paragraph 1, letter a) of Legislative Decree 38/2005, the amount of the legal reserve corresponding to one-fifth of the share capital pursuant to Article 2430 of the Italian Civil Code, as well as the reserve established pursuant to Article 26 paragraph 5-bis of Decree Law no. 104 of 10 August 2023, converted with amendments by Law no. 136 of 9 October 2023.

(1) May be used to increase capital (A) and for distribution to shareholders (C) for the portion exceeding one fifth of the share capital.

(2) If the reserve is used to cover losses, net income cannot be distributed unless the reserve is replenished or reduced by the corresponding amount.

(3) If this reserve is not recorded under shareholders' equity it may only be reduced in accordance with the provisions of paragraphs 2 and 3 of Article 2445 of the Italian Civil Code. If it is distributed to shareholders, it contributes to forming the taxable income of the company.

(4) Until the payment of the one-off levy in accordance with Article 1, paragraphs 69-72 of Law No. 199 of 30 December 2025, the use of the reserve for share capital increase without payment and subsequent repayment of the share capital to the shareholders, for any reason, including for a minimum amount, triggers the payment of the entire one-off levy, plus interest in the amount provided for by Decree Law no. 104 of 10 August 2023.

(5) Until the payment of the one-off levy in accordance with Article 1, paragraphs 69-72 of Law No. 199 of 30 December 2025, the use of the reserve to cover losses, when other reserves are available, the transfer of the non-distributability constraint to the other available earnings and/or capital reserves, for the amount of the reserve used, and, in any event, up to the extent of those available reserves; no distribution of net income may be made until the reserve is replenished.

(6) This reserve is unavailable pursuant to Article 6 of Legislative Decree 38/2005.

(7) Pursuant to Article 47, paragraph 1 of the Combined Tax Regulations, the portion of net income includes retained earnings reserves of 4,208 million euro classified as capital reserves for tax purposes.
The valuation reserves have been included under retained earnings reserves because these are either reserves destined to be reversed to the income statement at the time of sale or discharge of the corresponding assets or liabilities, or they are reserves substantially equivalent to retained earnings reserves.

12.5 Equity instruments: breakdown and annual changes

This caption consists entirely of Additional Tier 1 bond issuance placed between 2015 and 2025, net of related issuance costs, totalling 7,686 million euro.
In 2025, two perpetual bonds issued in 2020 were fully repurchased, for a total nominal amount of 1,150 million euro, as well as a capital instrument relating to an issue in 2015 for a nominal amount of 1 billion US dollars. A new issue was also placed for a nominal amount of 1 billion euro.
For more details, see the relevant section of the Notes to the consolidated financial statements.

12.6 Other information

Pursuant to Art. 2433-bis, paragraph 4, of the Italian Civil Code, Intesa Sanpaolo distributed an interim dividend for 2025 to each of the 17,413,389,613 ordinary shares comprising the share capital. The total amount disbursed was 3,233,844,856.62 euro[413], corresponding to a unit dividend of 18.60 euro cents per ordinary share. The dividend was paid out on 26 November 2025 (with coupon presentation on 24 November and record date on 25 November).

See the specific chapter of these Financial Statements for information regarding the allocation of the net income for the year.

[413] It does not include the interim dividend on the 27,126,943 own shares held at the record date, equal to 5,045,611.40 euro.

OTHER INFORMATION

1. Commitments and financial guarantees given (other than those designated at fair value)

(millions of euro)

	Commitments and financial guarantees given - nominal amount				31.12.2025	31.12.2024
	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
1. Commitments to disburse funds	**278,410**	**13,432**	**832**	**1**	**292,675**	**304,059**
a) Central Banks	1,207	18	-	-	1,225	1,262
b) Public Administration	12,703	876	8	-	13,587	11,786
c) Banks	55,903	362	-	-	56,265	68,763
d) Other financial companies	65,127	2,133	5	-	67,265	68,151
e) Non-financial companies	135,366	9,688	797	-	145,851	146,694
f) Households	8,104	355	22	1	8,482	7,403
2. Financial guarantees given	**45,877**	**5,100**	**1,031**	**-**	**52,008**	**54,229**
a) Central Banks	-	-	-	-	-	-
b) Public Administration	428	2	-	-	430	389
c) Banks	5,889	78	-	-	5,967	9,958
d) Other financial companies	4,086	238	2	-	4,326	2,602
e) Non-financial companies	35,214	4,762	1,026	-	41,002	40,981
f) Households	260	20	3	-	283	299

The commitments to disburse funds include the commitments that can give rise to credit risk subject to the rules for determining the expected loss in accordance with IFRS 9, including revocable margins available on credit lines granted to customers and banks (for a total amount of 196,894 million euro in 2025).

2. Other commitments and other guarantees given

These are not present in Intesa Sanpaolo.

3. Assets pledged as collateral of liabilities and commitments

(millions of euro)

Portfolios	31.12.2025	31.12.2024
1. Financial assets measured at fair value through profit or loss	4,317	1,893
2. Financial assets measured at fair value through other comprehensive income	27,987	16,603
3. Financial assets measured at amortised cost	194,493	187,284
4. Property and equipment	-	-
of which: property and equipment that constitute inventories	-	-

4. Management and dealing on behalf of third parties

(millions of euro)

Type of service	31.12.2025
1. Trading on behalf of customers	
a) Purchases	360,984
1. settled	360,984
2. to be settled	-
b) Sales	366,178
1. settled	366,178
2. to be settled	-
2. Portfolio management	
a) individual	-
b) collective	-
3. Custody and administration of securities	
a) third party securities held in deposit: related to depositary bank activities (excluding portfolio management)	-
1. securities issued by companies included in the consolidation area	-
2. other securities	-
b) third party securities held in deposit	858,648
1. securities issued by companies included in the consolidation area	95,533
2. other securities	763,115
c) third party securities deposited with third parties	851,830
d) portfolio securities deposited with third parties	224,317
4. Other	**507,159**

Sub-caption 4. Other transactions relates to receipt and transmission of orders and to placement activities.

Note regarding contractual clauses of financial payables

For details, reference should be made to the relevant section of the Notes to the consolidated financial statements.

5. Financial assets subject to offsetting in the financial statements or subject to master netting arrangements or similar agreements

(millions of euro)

Types	Gross amount of financial assets (a)	Amount of financial liabilities offset in the balance sheet (b)	Net amount of financial assets presented in the balance sheet (c = a-b)	Related amounts not subject to offsetting in the balance sheet		Net amount 31.12.2025 (f=c-d-e)	Net amount 31.12.2024
				Financial instruments (d)	Cash collateral (e)		
1. Derivatives	80,178	-53,868	26,310	14,278	11,633	399	678
2. Repurchase agreements	42,531	-	42,531	42,255	77	199	123
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
TOTAL 31.12.2025	**122,709**	**-53,868**	**68,841**	**56,533**	**11,710**	**598**	**X**
TOTAL 31.12.2024	**114,225**	**-56,468**	**57,757**	**47,250**	**9,706**	**X**	**801**

6. Financial liabilities subject to offsetting in the financial statements or subject to master netting arrangements or similar agreements

(millions of euro)

Types	Gross amount of financial liabilities (a)	Amount of financial assets offset in the balance sheet (b)	Net amount of financial liabilities presented in the balance sheet (c=a-b)	Related amounts not subject to offsetting in the balance sheet		Net amount 31.12.2025 (f=c-d-e)	Net amount 31.12.2024
				Financial instruments (d)	Cash deposits pledged as collateral		
1. Derivatives	74,688	53,868	20,820	14,881	4,918	1,021	651
2. Repurchase agreements	68,782	-	68,782	68,384	-	398	466
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
TOTAL 31.12.2025	**143,470**	**53,868**	**89,602**	**83,265**	**4,918**	**1,419**	**X**
TOTAL 31.12.2024	**123,726**	**56,468**	**67,258**	**57,345**	**8,796**	**X**	**1,117**

IFRS 7, amended in 2013, requires specific disclosure for financial instruments that have been offset in the Balance Sheet pursuant to IAS 32 or that may be potentially offset, upon occurrence of specific conditions, but are recognised in the Balance Sheet without any netting since they are regulated by "master netting arrangements or similar agreements" that do not respect all of the criteria set forth by IAS 32, paragraph 42.
In this respect, Intesa Sanpaolo has netting arrangements in force that meet the requirements envisaged by IAS 32, paragraph 42, for netting in the financial statements.
In terms of instruments that may be potentially offset upon occurrence of such events and to be presented in Tables 5 and 6, it is noted that Intesa Sanpaolo uses bilateral netting arrangements that allow, in the event of counterparty default, the netting of claims and obligations in relation to financial and credit derivatives, as well as securities financing transactions (SFTs). In particular, there are ISDA agreements (for transactions in derivatives), GMRAs (for repurchase agreements) and GMSLAs (for securities lending).

For the purposes of preparing the tables and in compliance with the provisions of IFRS 7 and the provisions that govern the financial statements of banks, the following are noted:
- the effects of the potential offsetting of the balance sheet values of financial assets and liabilities are indicated under column (d) "Financial instruments", together with the fair value of financial collateral consisting of securities;
- the effects of the potential offsetting of the exposure with the relative cash collateral are included under column (e) Cash deposits pledged as collateral;
- repurchase agreement transactions are recognised in the tables based on the amortised cost measurement criterion, while the relative collateral is measured at fair value;
- derivatives transactions are recognised at fair value.

These effects are calculated for each individual counterparty included in a master netting arrangement, to the extent of the exposure indicated in column (c).

Based on the preparation methods indicated above, the netting arrangements between financial instruments and the relative collateral permit a significant reduction in credit/debt exposure to the counterparty, as indicated under column (f) Net amount.

7. Securities lending transactions

The securities lending accessory banking service, offered by Intesa Sanpaolo to its customers (natural persons, legal entities and commercial entities), is worth mentioning. The contract envisages transfer of the ownership exclusively of government bonds and equity instruments, with the obligation for Intesa Sanpaolo to return them, paying a consideration amount as remuneration for their availability. The transaction has no speculative purposes.
As at 31 December 2025, the collateral of transactions amounted to 44 million euro.

8. Disclosure on joint-control assets

The Bank is not required to provide information on joint-control assets. For the information relating to this paragraph, reference should be made to the relevant section of the Notes to the consolidated financial statements.

Part C – Information on the Parent Company's income statement

SECTION 1 – INTEREST – CAPTIONS 10 AND 20

1.1 Interest and similar income: breakdown

(millions of euro)

Captions/Types	Debt securities	Loans	Other transactions	2025	2024
1. Financial assets measured at fair value through profit or loss	**269**	**20**	**-**	**289**	**179**
1.1 Financial assets held for trading	259	2	-	261	121
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	10	18	-	28	58
2. Financial assets measured at fair value through other comprehensive income	**1,882**	**102**	**X**	**1,984**	**1,757**
3. Financial assets measured at amortised cost	**1,779**	**13,866**	**X**	**15,645**	**19,968**
3.1 Due from banks	100	1,872	X	1,972	3,392
3.2 Loans to customers	1,679	11,994	X	13,673	16,576
4. Hedging derivatives	**X**	**X**	**902**	**902**	**3,144**
5. Other assets	**X**	**X**	**1,064**	**1,064**	**1,277**
6. Financial liabilities	**X**	**X**	**X**	**3**	**2**
Total	**3,930**	**13,988**	**1,966**	**19,887**	**26,327**
of which: interest income on impaired financial assets	*15*	*417*	*-*	*432*	*476*
of which: interest income on financial lease	*X*	*251*	*X*	*251*	*368*

Interest income also includes interest on debt securities used in repurchase agreements.
Interest income on impaired financial assets relate almost entirely to loans to customers and also include interest due to the passing of time, equal to 153 million euro (time value).
The caption Financial assets measured at amortised cost, sub-caption Due from banks, includes interest on "on demand" loans due from banks and central banks classified in the balance sheet to the caption Cash and cash equivalents.
The caption Hedging derivatives includes the differentials on hedging transactions, which supplement the interest income recognised on hedged financial instruments.
Financial liabilities include, in marginal amounts, interest on funding transactions with negative rates.

1.2 Interest and similar income: other information

1.2.1 Interest income on foreign currency financial assets

As at 31 December 2025, interest income on foreign currency financial assets amounted to 3,065 million euro.

1.3 Interest and similar expense: breakdown

(millions of euro)

Captions/Types	Debts	Securities	Other transactions	2025	2024
1. Financial liabilities measured at amortised cost	**4,618**	**3,838**	**X**	**8,456**	**11,527**
1.1 Due to Central Banks	86	X	X	86	647
1.2 Due to banks	2,510	X	X	2,510	3,632
1.3 Due to customers	2,022	X	X	2,022	2,866
1.4 Securities issued	X	3,838	X	3,838	4,382
2. Financial liabilities held for trading	**1**	**-**	**-**	**1**	**1**
3. Financial liabilities designated at fair value	**-**	**-**	**-**	**-**	**-**
4. Other liabilities and allowances	**X**	**X**	**176**	**176**	**153**
5. Hedging derivatives	**X**	**X**	**685**	**685**	**3,413**
6. Financial assets	**X**	**X**	**X**	**9**	**12**
Total	**4,619**	**3,838**	**861**	**9,327**	**15,106**
of which: interest expense on lease liabilities	*25*	*X*	*X*	*25*	*25*

As at 31 December 2024, the caption Amounts due to central banks included 524 million euro of interest expenses on TLTROs, which were gradually repaid during 2024.
The caption Hedging derivatives includes the differentials on hedging transactions, which adjust interest expense recognised on hedged financial instruments.
Financial assets include, in marginal amounts, interest on lending transactions with negative rates.

1.4 Interest and similar expense: other information

1.4.1 Interest expense on foreign currency financial liabilities

As at 31 December 2025, interest expense on foreign currency financial liabilities amounted to 2,016 million euro.

1.5 Differentials on hedging transactions

(millions of euro)

Captions	2025	2024
A. Positive differentials on hedging transactions	6,491	8,256
B. Negative differentials on hedging transactions	-6,274	-8,525
C. Balance (A-B)	**217**	**-269**

SECTION 2 – NET FEE AND COMMISSION INCOME - CAPTIONS 40 AND 50

2.1 Fee and commission income: breakdown

(millions of euro)

Type of service/Amounts	2025	2024
a) Financial instruments	**1,618**	**1,467**
1. Placement of securities	1,412	1,277
1.1 Through underwriting and/or on a firm commitment basis	1	2
1.2 Without firm commitment	1,411	1,275
2. Reception and transmission of orders and execution of orders on behalf of customers	206	190
2.1 Reception and transmission of orders for one or more financial instruments	61	63
2.2 Execution of orders on behalf of customers	145	127
3. Other fee and commission income related to activities connected to financial instruments	-	-
of which: dealing on own account	-	-
of which: individual portfolio management	-	-
b) Corporate Finance	**2**	**1**
1. M&A advisory	2	1
2. Treasury services	-	-
3. Other fee and commission income related to corporate finance services	-	-
c) Investment advice	**292**	**222**
d) Clearing and settlement	**-**	**-**
e) Custody and administration	**58**	**53**
1. Depositary bank	-	-
2. Other fee and commission income related to custody and administration services	58	53
f) Central administrative services for collective portfolio management	**-**	**-**
g) Fiduciary services	**-**	**-**
h) Payment services	**2,433**	**2,440**
1. Current accounts	1,115	1,140
2. Credit cards	515	490
3. Debit cards and other payment cards	200	206
4. Credit transfers and other payment orders	277	294
5. Other fee and commission income related to payment services	326	310
i) Distribution of third-party services	**1,056**	**1,010**
1. Collective portfolio management	-	-
2. Insurance products	892	841
3. Other products	164	169
of which: individual portfolio management	*90*	*91*
j) Structured finance	**73**	**82**
k) Servicing related to securitisations	**4**	**4**
l) Commitments to disburse funds	**-**	**-**
m) Financial guarantees given	**456**	**462**
of which: credit derivatives	*2*	-
n) Financing transactions	**864**	**825**
of which: for factoring transactions	*73*	*75*
o) Currency dealing	**10**	**10**
p) Commodities	**-**	**-**
q) Other fee and commission income	**132**	**124**
of which: for management of multilateral trading facilities	-	-
of which: for management of organised trading facilities	-	-
Total	**6,998**	**6,700**

As required by IFRS 15, paragraph 116 b), it is noted that fee and commission income includes the revenues recognised during the year included in the opening balance of liabilities deriving from contracts with customers. In line with paragraph 116 c) of IFRS 15, revenues deriving from performance obligations satisfied in the previous years are included, amounting to 3 million euro.

2.2 Fee and commission income: distribution channels of products and services

(millions of euro)

Channels/Amounts	2025	2024
a) Group branches	**2,337**	**2,199**
1. portfolio management	-	-
2. placement of securities	1,338	1,231
3. third party services and products	999	968
b) Off-site offer	**129**	**86**
1. portfolio management	-	-
2. placement of securities	72	44
3. third party services and products	57	42
c) Other distribution channels	**2**	**2**
1. portfolio management	-	-
2. placement of securities	2	2
3. third party services and products	-	-

2.3 Fee and commission expense: breakdown

(millions of euro)

	2025	2024
a) Financial instruments	**130**	**92**
of which: trading in financial instruments	*34*	*30*
of which: placement of financial instruments	*96*	*62*
of which: individual portfolio management	-	-
- Own portfolio	-	-
- Third-party portfolio	-	-
b) Clearing and settlement	**36**	**33**
c) Custody and administration	**75**	**71**
d) Collection and payment services	**409**	**405**
of which: credit cards, debit cards and other payment cards	*316*	*308*
e) Servicing related to securitisations	**-**	**-**
f) Commitments to receive funds	**-**	**-**
g) Financial guarantees received	**362**	**333**
of which: credit derivatives	*34*	*20*
h) Off-site distribution of financial instruments, products and services	**66**	**42**
i) Currency dealing	**5**	**5**
j) Other fee and commission expense	**151**	**152**
Total	**1,234**	**1,133**

As required by IFRS 15, paragraph 116 b), it is noted that fee and commission income includes the revenues recognised during the year included in the opening balance of liabilities deriving from contracts with customers in the amount of 58 million euro. In line with paragraph 116 c) of IFRS 15, revenues deriving from performance obligations satisfied in the previous years are included, amounting to 6 million euro.

SECTION 3 – DIVIDEND AND SIMILAR INCOME - CAPTION 70

3.1 Dividend and similar income: breakdown

(millions of euro)

Captions/Income	2025		2024	
	Dividends	Similar income	Dividends	Similar income
A. Financial assets held for trading	143	3	69	3
B. Other financial assets mandatorily measured at fair value	8	194	8	141
C. Financial assets measured at fair value through other comprehensive income	50	5	57	3
D. Equity investments	2,928	5	1,822	4
Total	**3,129**	**207**	**1,956**	**151**

Sub-caption B. Other financial assets mandatorily measured at fair value includes 8 million euro of dividends on equities and 194 million euro of income on quotas of UCIs.

Sub-caption D. Equity investments includes the dividends and income distributed by the subsidiaries and associates:
– Intesa Sanpaolo Assicurazioni S.p.A. for 1,495 million euro;
– Intesa Sanpaolo Holding International S.A. for 550 million euro;
– Eurizon Capital SGR S.p.A. for 541 million euro;
– CIB Bank Ltd for 125 million euro;
– Bank of Alexandria S.A.E. for 75 million euro;
– Intesa Sanpaolo Bank Ireland Plc (merged into Intesa Sanpaolo Bank Luxembourg S.A.) for 54 million euro;
– Banka Intesa Sanpaolo D.D. for 26 million euro;
– other equity investments for 67 million euro.

SECTION 4 – PROFITS (LOSSES) ON TRADING - CAPTION 80

4.1 Profits (Losses) on trading: breakdown

(millions of euro)

Transactions/Income components	Revaluations	Profits on trading	Write-downs	Losses on trading	Net result
1. Financial trading assets	**562**	**1,500**	**-265**	**-436**	**1,361**
1.1 Debt securities	54	315	-103	-243	23
1.2 Equities	487	1,165	-88	-190	1,374
1.3 Quotas of UCI	21	19	-20	-3	17
1.4 Loans	-	1	-5	-	-4
1.5 Other	-	-	-49	-	-49
2. Financial liabilities held for trading	**21**	**4**	**-85**	**-44**	**-104**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	12	-	-22	-	-10
2.3 Other	9	4	-63	-44	-94
3. Financial assets and liabilities: foreign exchange differences	**X**	**X**	**X**	**X**	**-1,595**
4. Derivatives	**37,509**	**59,422**	**-37,951**	**-58,869**	**1,185**
4.1 Financial derivatives:	33,013	55,186	-33,409	-54,692	1,172
- on debt securities and interest rates	*30,919*	*42,947*	*-31,526*	*-42,310*	*30*
- on equities and stock indexes	*1,863*	*11,208*	*-1,522*	*-11,546*	*3*
- on currencies and gold	*X*	*X*	*X*	*X*	*1,074*
- other	*231*	*1,031*	*-361*	*-836*	*65*
4.2 Credit derivatives	4,496	4,236	-4,542	-4,177	13
of which: natural hedging associated with the fair value option	*X*	*X*	*X*	*X*	-
Total	**38,092**	**60,926**	**-38,301**	**-59,349**	**847**

Profits and losses on Financial assets held for trading include the results of both long and short positions.

"Net result" includes profits, losses, revaluations and write-downs on currency transactions and currency and gold derivatives. The net result of Financial assets held for trading in equity instruments also includes the contribution of transactions related to certificates that, at maturity, provide for the partial or full repayment of premiums paid. Therefore, this result must be read together with the net result of Financial liabilities designated at fair value in Securities issued.

The net result of the exchange differences on Financial assets and liabilities, reported in sub-caption 3, is connected to the result of sub-caption 4.1 relating to Derivatives - Financial derivatives on currencies and gold, which includes the results of the related operational hedges taken out by the Bank on foreign exchange risk using financial trading derivatives. Similarly, the result in Financial derivatives on debt securities and interest rates should be viewed in conjunction with the results of the Financial assets held for trading in Debt securities and Financial liabilities held for trading in Payables (short selling of securities) respectively, as these transactions are operationally linked to each other.

SECTION 5 – FAIR VALUE ADJUSTMENTS IN HEDGE ACCOUNTING - CAPTION 90

5.1 Fair value adjustments in hedge accounting: breakdown

(millions of euro)

Income component/Amount	2025	2024
A. Income from:		
A.1 fair value hedge derivatives	6,516	4,057
A.2 financial assets hedged (fair value)	150	2,639
A.3 financial liabilities hedged (fair value)	2,350	205
A.4 cash flow hedge: derivatives	-	-
A.5 currency assets and liabilities	16	-
Total income from hedging (A)	**9,032**	**6,901**
B. Expenses for		
B.1 fair value hedge derivatives	-1,837	-3,627
B.2 financial assets hedged (fair value)	-5,780	-765
B.3 financial liabilities hedged (fair value)	-1,420	-2,499
B.4 cash flow hedge: derivatives	-	-
B.5 currency assets and liabilities	-	-1
Total expense from hedging (B)	**-9,037**	**-6,892**
C. Fair value adjustments in hedge accounting (A - B)	**-5**	**9**
of which: fair value adjustments in hedge accounting on net positions	-	-

Intesa Sanpaolo has exercised the option, provided for on the introduction of IFRS 9, of continuing to fully apply the provisions of IAS 39 on hedge accounting (in the carved-out version endorsed by the European Commission) for each type of hedge (both for micro hedges and macro hedges). For this reason, table 5.1 Fair value adjustments in hedge accounting: breakdown, contains no amounts in the row "of which: profits (losses) on hedges of net positions" envisaged for parties that apply IFRS 9 also to hedges.

SECTION 6 – PROFITS (LOSSES) ON DISPOSAL OR REPURCHASE - CAPTION 100

6.1 Profits (Losses) on disposal or repurchase: breakdown

(millions of euro)

Captions/Income components	2025			2024		
	Profits	Losses	Net result	Profits	Losses	Net result
A. Financial assets						
1. Financial assets measured at amortised cost	249	-88	161	172	-129	43
1.1 Due from banks	*9*	*-*	*9*	*7*	*-16*	*-9*
1.2 Loans to customers	*240*	*-88*	*152*	*165*	*-113*	*52*
2. Financial assets measured at fair value through other comprehensive income	299	-66	233	297	-68	229
2.1 Debt securities	*299*	*-66*	*233*	*297*	*-66*	*231*
2.2 Loans	*-*	*-*	*-*	*-*	*-2*	*-2*
Total assets	**548**	**-154**	**394**	**469**	**-197**	**272**
B. Financial liabilities measured at amortised cost						
1. Due to banks	22	-35	-13	26	-25	1
2. Due to customers	-	-	-	-	-7	-7
3. Securities issued	23	-89	-66	87	-84	3
Total liabilities	**45**	**-124**	**-79**	**113**	**-116**	**-3**

The Net result on Financial assets measured at amortised cost in sub-caption 1.2 Loans to customers - Profits mainly relates to the sale on the market of government debt securities. Sub-caption 1.2 Loans to customers - Losses mainly relates to loans.

The Net result on Financial assets measured at fair value through other comprehensive income in sub-caption 2.1 Debt securities relates to profits and losses mainly deriving from the sale of government debt securities.

SECTION 7 – PROFITS (LOSSES) ON OTHER FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS - CAPTION 110

7.1 Net change in the value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value

(millions of euro)

Transactions/Income components	Revaluations	Gains on disposal	Write-downs	Losses on trading	Net result
1. Financial assets	**-**	**-**	**-**	**-1**	**-1**
1.1 Debt securities	-	-	-	-1	-1
1.2 Loans	-	-	-	-	-
2. Financial liabilities	**295**	**3**	**-659**	**-885**	**-1,246**
2.1 Securities issued	295	3	-659	-885	-1,246
2.2 Due to banks	-	-	-	-	-
2.3 Due to customers	-	-	-	-	-
3. Foreign currency financial assets and liabilities: foreign exchange differences	**X**	**X**	**X**	**X**	**50**
Total	**295**	**3**	**-659**	**-886**	**-1,197**

Sub-caption 2.1 Financial liabilities - Securities issued, reports the net result of the certificates which provide for partial or full redemption of the premiums paid on maturity, pursuant to Bank of Italy Communication of 21 October 2014 (certificates with guaranteed or protected capital), issued after 1 January 2020.
The revaluations and write-downs shown in the table refer to the fair value measurement of these financial instruments, calculated excluding the changes in value due to the change in own credit rating recognised in the Statement of comprehensive income (Shareholders' equity). For information on the methods used to measure counterparty risk, reference should be made to Part A.4 - Information on fair value of the Notes to the financial statements.

The Realised gains and losses relate to disbursement made to the holders of certificates where contractually provided for, as well as repurchases of certificates made by the issuer as market maker.
Lastly, the net result of financial liabilities designated at fair value in Securities issued represented by certificates that, at maturity, provide for the partial or full repayment of premiums paid must be read together with the net result of Financial assets held for trading in Equity instruments, which includes the contribution of transactions related to certificates.

7.2 Net change in the 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

(millions of euro)

Transactions/Income components	Revaluations	Gains on disposal	Write-downs	Losses on trading	Net result
1. Financial assets	**446**	**95**	**-180**	**-25**	**336**
1.1 Debt securities	3	3	-4	-5	-3
1.2 Equities	218	25	-3	-	240
1.3 Quotas of UCI	134	12	-163	-4	-21
1.4 Loans	91	55	-10	-16	120
2. Financial assets: foreign exchange differences	**X**	**X**	**X**	**X**	**-101**
Total	**446**	**95**	**-180**	**-25**	**235**

SECTION 8 – NET LOSSES/RECOVERIES FOR CREDIT RISK – CAPTION 130

8.1 Net adjustments for credit risk associated with financial assets measured at amortised cost: breakdown

(millions of euro)

Transactions/Income components	IMPAIRMENT LOSSES						RECOVERIES				2025	2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
			Write-off	Other	Write-off	Other						
A. Credit to banks	**-2**	**-**	**-**	**-2**	**-**	**-**	**10**	**2**	**2**	**-**	**10**	**-23**
- Loans	-1	-	-	-2	-	-	10	1	2	-	10	-24
- Debt securities	-1	-	-	-	-	-	-	1	-	-	-	1
B. Credit to clients	**-139**	**-410**	**-47**	**-2,187**	**-13**	**-18**	**162**	**508**	**509**	**18**	**-1,617**	**-1,069**
- Loans	-131	-405	-47	-2,139	-13	-18	156	507	509	18	-1,563	-1,068
- Debt securities	-8	-5	-	-48	-	-	6	1	-	-	-54	-1
Total	**-141**	**-410**	**-47**	**-2,189**	**-13**	**-18**	**172**	**510**	**511**	**18**	**-1,607**	**-1,092**

Further details on the calculation of adjustments can be found in the Notes to the Consolidated Financial Statements, Part E - Information on Risks and Related Hedging Policies, Section 2 - Risks of the Prudential Consolidation - 1.1 CREDIT RISK.

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

(millions of euro)

Transactions/Income components	IMPAIRMENT LOSSES						RECOVERIES				2025	2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
			Write-off	Other	Write-off	Other						
A. Debt securities	**-5**	**-8**	**-**	**-**	**-**	**-**	**2**	**-**	**-**	**-**	**-11**	**-8**
B. Loans	**-5**	**-9**	**-**	**-**	**-**	**-**	**3**	**-**	**1**	**-**	**-10**	**1**
- to customers	-5	-9	-	-	-	-	3	-	1	-	-10	1
- to banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	**-10**	**-17**	**-**	**-**	**-**	**-**	**5**	**-**	**1**	**-**	**-21**	**-7**

SECTION 9 – PROFITS/LOSSES FROM CHANGES IN CONTRACTS WITHOUT DERECOGNITION – CAPTION 140

9.1 Profits (Losses) from changes in contracts: breakdown

As at 31 December 2025, this caption showed an immaterial amount (losses of 8 million euro as at 31 December 2024).

SECTION 10 - ADMINISTRATIVE EXPENSES - CAPTION 160

10.1 Personnel expenses: breakdown

(millions of euro)

Type of expense	2025	2024
1) Employees	**5,635**	**6,137**
a) wages and salaries	3,751	3,876
b) social security charges	999	1,038
c) termination indemnities	26	31
d) supplementary benefits	-	-
e) provisions for termination indemnities	20	25
f) provisions for post employment benefits	4	5
- defined contribution plans	-	-
- defined benefit plans	*4*	*5*
g) payments to external pension funds	374	371
- defined contribution plans	*374*	*371*
- defined benefit plans	-	-
h) costs from share based payments	142	142
i) other benefits in favour of employees	319	649
2) Other non-retired personnel	**8**	**9**
3) Directors and statutory auditors	**7**	**7**
4) Early retirement costs	**-**	**-**
5) Recovery of expenses for employees seconded to other companies	**-79**	**-78**
6) Reimbursement of expenses for third party employees seconded to the company	**13**	**11**
Total	**5,584**	**6,086**

10.2 Average number of employees by categories

	2025	2024
Personnel employed	**57,066**	**59,223**
a) managers	1,095	1,038
b) total officers	25,063	25,945
c) other employees	30,908	32,240
Other personnel	**33**	**31**
TOTAL	**57,099**	**59,254**

In 2025, the average number of employees (with part-time employees calculated, per standard practice, at 0.5) was down on 2024 mainly due to negotiated exits.

10.3 Post-employment defined benefit plans: costs and revenues

(millions of euro)

	2025			2024		
	Employee Termination Indemnities	Internal plans	External plans	Employee Termination Indemnities	Internal plans	External plans
Current service cost	-3	-1	-1	-3	-1	-2
Interest expense	-17	-6	-23	-22	-5	-29
Interest income	-	6	21	-	5	27
Reimbursement from third parties	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-
Curtailment of the fund	X	-	-	X	-	-
Settlement of the fund	X	-	-	X	-	-

This table illustrates the economic components referred to Employee termination indemnities – caption 90 of Balance sheet liabilities and Allowances for risks and charges - post employment benefits – caption 100b of Balance sheet liabilities.

10.4 Other benefits in favour of employees

The other benefits in favour of employees as at 31 December 2025 amounted to 319 million euro and mainly related to charges for exit incentives for personnel including those relating to the agreement signed with the trade unions on 10 December 2025, supplementing the agreement signed with the trade unions on 23 October 2024. This caption also includes healthcare contributions and canteen contributions including meal vouchers.

10.5 Other administrative expenses: breakdown

(millions of euro)

Type of expense/Amount	2025	2024
Expenses for maintenance of information technology and electronic equipment	574	576
Telephonic, teletransmission and transmission expenses	32	41
Information technology expenses	**606**	**617**
Rentals and service charges - real estate	25	27
Security services	28	28
Cleaning of premises	34	33
Expenses for maintenance of real estate assets furniture and equipment	63	63
Energy costs	89	110
Property costs	4	5
Management of real estate assets expenses	**243**	**266**
Printing, stationery and consumables expenses	11	11
Transport and related services expenses (including counting of valuables)	74	73
Information expenses	220	200
Postal and telegraphic expenses	31	32
General structure costs	**336**	**316**
Expenses for consultancy fees	118	119
Legal and judiciary expenses	82	83
Insurance premiums - banks and customers	46	50
Professional and legal expenses	**246**	**252**
Advertising and promotional expenses	**174**	**160**
Services rendered by third parties	**380**	**302**
Indirect personnel costs	**152**	**141**
Other costs	**32**	**29**
Other costs	**79**	**85**
Contributions to resolution funds and guarantee schemes	**34**	**325**
Taxes and duties	**853**	**806**
Recovery of other expenses	**-18**	**-21**
Total	**3,117**	**3,278**

The amount of the sub-caption Rentals and service charges - real estate relates to contracts with a total lease term of 12 months or less and to contracts with a value of the underlying asset, when new, of 5,000 euro or less ("low value"). In such cases, as allowed by IFRS 16, the lease payments for these leases are recognised as an expense on a straight-line basis for the contract term.

The sub-caption "Contributions to resolution funds and guarantee schemes" includes the ordinary contribution of 24 million euro (315 million euro as at 31 December 2024), to be made to the financial resources of the National Interbank Deposit Guarantee Fund under the Deposit Guarantee Schemes (DGS) in connection with the development of covered deposits, as well as the contributions to the Insurance Guarantee Fund for life insurance policies in line with Law no. 213 of 30 December 2023 (10 million euro both as at 31 December 2025 and in the previous year).

SECTION 11 - NET PROVISIONS FOR RISKS AND CHARGES - CAPTION 170

11.1 Net provisions for credit risk associated with loan commitments and financial guarantees given: breakdown

(millions of euro)

	Provision	Reallocations	Net provision
Stage1	-61	22	-39
Stage2	-59	39	-20
Stage3	-128	59	-69
Total	**-248**	**120**	**-128**

11.2 Net provisions associated with other commitments and other guarantees given: breakdown

This case was not present.

11.3 Net provisions for other risks and charges: breakdown

(millions of euro)

	Provisions	Reallocations	Net provision
Net provisions for legal and tax disputes	-110	40	-70
Net provisions for other personnel charges	-	-	-
Net provisions for risks and charges	-124	68	-56
Total	**-234**	**108**	**-126**

"Net provisions for risks and charges", which amounted to a negative 126 million euro, recorded the provisions attributable to the year relating to legal and tax disputes and other risks and charges, net of reallocations.

In particular, the sub-caption Net provisions for legal disputes includes provisions for legal disputes, including bankruptcy claw-back actions and other disputes, net of releases for the year.

SECTION 12 – NET ADJUSTMENTS TO/RECOVERIES ON PROPERTY AND EQUIPMENT - CAPTION 180

12.1 Net adjustments to property and equipment: breakdown

(millions of euro)

Assets/Income components	Depreciation	Impairment losses	Recoveries	Net result
A. Property and equipment				
A.1 Used in operations	-431	-1	-	-432
- Owned	*-263*	*-1*	-	*-264*
- Licenses acquired through lease	*-168*	-	-	*-168*
A.2 Investment property	-	-	-	-
- Owned	-	-	-	-
- Licenses acquired through lease	-	-	-	-
A.3 Inventories	X	-3	-	-3
B. Non-current assets held for sale	X	-	-	-
Total	**-431**	**-4**	**-**	**-435**

Depreciation of rights of use acquired under leases is associated with application of the accounting standard IFRS 16, which entered into effect on 1 January 2019. As at 31 December 2025 the analysis of factors internal and external to the Company did not indicate any impairment of rights of use (RoUs). See the description provided in Part A – Accounting policies of the Notes to the financial statements in paragraph "16. Other information - Use of estimates and assumptions in preparing financial reports".

SECTION 13 – NET ADJUSTMENTS TO/RECOVERIES ON INTANGIBLE ASSETS - CAPTION 190

13.1 Net adjustments to intangible assets: breakdown

(millions of euro)

Assets/Income components	Amortisation	Impairment losses	Recoveries	Net result
A. Intangible assets				
of which: software	*-972*	*-58*	-	*-1,030*
A.1 Owned	-993	-58	-	-1,051
- Internally generated	-666	-57	-	-723
- Others	-327	-1	-	-328
A.2 Rights of use acquired through the lease	-	-	-	-
B. Non-current assets held for sale	**X**	**-**	**-**	**-**
Total	**-993**	**-58**	**-**	**-1,051**

With regard to the method of the impairment testing for intangible assets and related impairment recognised to the income statement, see Part B – Section 9 – Intangible Assets in these Notes to the financial statements.

With regard to the revision of the useful life of intangible assets, see the description provided in Part A – Accounting policies of the Notes to the financial statements in paragraph "16. Other information - Use of estimates and assumptions in preparing financial reports".

SECTION 14 – OTHER OPERATING EXPENSES (INCOME) - CAPTION 200

14.1 Other operating expenses: breakdown

(millions of euro)

Type of expense/Amount	
Amortisation of leasehold improvements	31
Other expenses for consumer credit and leasing transactions	14
Settlements for legal disputes	5
Other	111
Total 2025	**161**
Total 2024	**373**

The sub-caption Other expenses includes around 3 million euro of losses from the trading of precious metals and gold and the results of their valuation.

As at 31 December 2024, this caption included the amount paid to the National Resolution Fund recorded as Profit Sharing under the settlement agreement entered into by Intesa Sanpaolo S.p.A. (as the incorporating entity of UBI Banca S.p.A.) and the Bank of Italy of 130 million euro.

14.2 Other operating income: breakdown

(millions of euro)

Type of expense/Amount	
Recovery of taxes and duties	702
Recovery of services rendered to third parties	282
Rentals and recovery of expenses on real estate	67
Income related to consumer credit and leasing	23
Recovery of other expenses	18
Recovery of insurance costs	5
Other	129
Total 2025	**1,226**
Total 2024	**1,353**

The sub-caption Other income includes the gains from the trading of precious metals and gold and the results of their valuation of approximately 36 million euro, as well as income relating to commercial agreements signed by the Bank.
As required by paragraph 116 c) of IFRS 15, revenues deriving from performance obligations satisfied in the previous years are included, amounting to 24 million euro.

SECTION 15 – PROFITS (LOSSES) ON EQUITY INVESTMENTS - CAPTION 220

15.1 Profits (Losses) on equity investments: breakdown

(millions of euro)

Income component/Amount	2025	2024
A. Revenues	**48**	**59**
1. Revaluations	-	-
2. Profits on disposal	47	25
3. Recoveries	1	34
4. Other	-	-
B. Charges	**-376**	**-220**
1. Write-downs	-	-
2. Impairment losses	-376	-220
3. Losses on disposal	-	-
4. Other	-	-
Net result	**-328**	**-161**

Sub-caption A.2. Profits on disposal mainly includes the profit on the contribution of the 100% stake in Intesa Sanpaolo Rent Foryou.

Sub-caption B.2 Impairment losses mainly relates to the interests held in:
– Back2Bonis for 97 million euro;
– Lendlease MSG Heartbeat for 87 million euro;
– UTP Restructuring Corporate for 72 million euro;
– Efesto for 25 million euro;
– RSCT Fund - Comparto Crediti for 21 million euro;
– IDEA CCR (Corporate Credit Recovery) II - Loans Sub-Fund for 15 million euro;
– UTP Italia Fund - Loans Sub-Fund for 11 million euro;
– Intrum Italy S.p.A. for 11 million euro;
– Retail & Leisure Fund for 10 million euro.

SECTION 16 – VALUATION DIFFERENCES ON PROPERTY, EQUIPMENT AND INTANGIBLE ASSETS MEASURED AT FAIR VALUE - CAPTION 230

16.1 Valuation differences on property, equipment and intangible assets measured at fair value or estimated realisable value: breakdown

(millions of euro)

Assets/Income component	Revaluations	Write-downs	Foreign exchange differences		Net result
			Positive	Negative	
A. Property and equipment	**4**	**-24**	**-**	**-**	**-20**
A.1 Used in operations:	1	-7	-	-	-6
- Owned	*1*	*-7*	-	-	*-6*
- Licenses acquired through lease	-	-	-	-	-
A.2 Investment:	3	-17	-	-	-14
- Owned	*3*	*-17*	-	-	*-14*
- Licenses acquired through lease	-	-	-	-	-
A.3 Inventories	-	-	-	-	-
B. Intangible assets	**-**	**-**	**-**	**-**	**-**
B.1 Owned:	-	-	-	-	-
B.1.1 Internally generated	-	-	-	-	-
B.1.2 Other	-	-	-	-	-
B.2 Licenses acquired through lease	-	-	-	-	-
Total	**4**	**-24**	**-**	**-**	**-20**

SECTION 17 – GOODWILL IMPAIRMENT - CAPTION 240

17.1 Goodwill impairment: breakdown

During the year, no impairment of goodwill was recognised. For a description of the impairment testing methods for goodwill, reference should be made to Part B - Assets - Section 9 - Intangible Assets.

SECTION 18 – PROFITS (LOSSES) ON DISPOSAL OF INVESTMENTS - CAPTION 250

18.1 Profits (Losses) on disposal of investments: breakdown

(millions of euro)

Income component/Amount	2025	2024
A. Real estate assets	**-7**	**-3**
- profits on disposal	-	-
- losses on disposal	-7	-3
B. Other assets	**133**	**-**
- profits on disposal	133	-
- losses on disposal	-	-
Net result	**126**	**-3**

Sub-caption B. Other assets includes the gain from the sale to State Street Bank International GmbH of the IT operations supporting the Custody business.

SECTION 19 - TAXES ON INCOME FROM CONTINUING OPERATIONS - CAPTION 270

19.1 Taxes on income from continuing operations: breakdown

(millions of euro)

Income component/Amount	2025	2024
1. Current taxes (-)	-1,227	-518
2. Changes in current taxes of previous years (+/-)	160	65
3. Reduction in current taxes of the year (+)	3	4
3. bis Reduction in current taxes of the year for tax credits pursuant to Law no. 214/2011 (+)	60	470
4. Changes in deferred tax assets (+/-)	-742	-1,722
5. Changes in deferred tax liabilities (+/-)	-39	-42
6. Taxes on income for the year (-) (-1+/-2+3+3bis+/-4+/-5)	**-1,785**	**-1,743**

The current taxes for the year include around 2 million euro pertaining to the Top-up Tax payable by ISP as Ultimate Parent Entity under the Global Minimum Tax rules established by Directive (EU) 2022/2523 and transposed by Legislative Decree 209/2023.
Sub-caption 2. Changes in current taxes from previous years includes 68 million euro attributable to IRAP (regional production tax) credits from previous years as a result of the revision of the rules on intra-EU dividend introduced by Law no. 199 of 30 December 2025.
The reduction in current taxes for the year, measured at 60 million euro, as required by the "Roneata" Letter from the Bank of Italy of 7 August 2012, shows the transformation into tax credits of the deferred tax assets pursuant to Law 214/2011 due to the tax loss of Intesa Sanpaolo S.p.A. in relation to 2024. This effect is entirely offset by the corresponding decrease in the caption Changes in deferred tax assets with the ensuing nil impact on the income statement.
Sub-caption 4. The change in deferred tax assets includes around 163 million euro relating to the revaluation of IRAP deferred tax, as a result of the 2 percentage point increase in that tax rate limited to the three-year period 2026-2028, as provided for by Article 1, paragraph 74 of Law no. 199 of 30 December 2025 ("2026 Budget Act").

19.2 Reconciliation of theoretical tax charge to total income tax expense for the period

(millions of euro)

	2025	2024
Income (Loss) before tax from continuing operations	8,629	7,347
Income (Loss) before tax from discontinued operations	-	-
Theoretical taxable income	**8,629**	**7,347**

	Taxes (a)	Impact (%) on theoretical taxable income
Income taxes - theoretical tax expense (income) [(b)]	**2,853**	**33.1**
Increases of taxes	**80**	**0.9**
Non-deductible cost	33	0.4
Loss on investments	10	0.1
Other	37	0.4
Decreases of taxes	**-1,148**	**-13.3**
Lower IRAP taxable income	-52	-0.6
Non-taxed capital gains on equity investments	-66	-0.8
Tax-exempt portion of dividends	-776	-9.0
Other	-254	-2.9
Total change in taxes	**-1,068**	**-12.4**
Total tax expense (income) for the period	**1,785**	**20.7**
of which: - effective tax expense (income) from continuing operations	**1,785**	**20.7**
- effective tax expense (income) from discontinued operations	**-**	**-**

(a) Tax expenses are indicated with a positive sign and tax income with a negative sign.

(b) Includes IRES ordinary tax 24%, IRES additional rate 3.5% and IRAP weighted average rate 5.56%.

SECTION 20 – INCOME (LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS - CAPTION 290

This case was not present for the Bank.

SECTION 21 – OTHER INFORMATION

There is no information further to that already provided in the previous sections.

SECTION 22 – EARNINGS PER SHARE

For details, reference should be made to the relevant section of the Notes to the consolidated financial statements.

Part D – Comprehensive income

(millions of euro)

	Statement of comprehensive income	2025	2024
10	**Net income (loss)**	**6,844**	**5,604**
	Other comprehensive income that may not be reclassified to the income statement	**65**	**161**
20	Equity instruments measured at fair value through other comprehensive income	72	236
	a) fair value changes	*74*	*169*
	b) transfer to other components of shareholders' equity	*-2*	*67*
30	Financial liabilities designated at fair value through profit or loss (change in own credit rating)	-58	*-98*
	a) fair value changes	*-58*	*-98*
	b) transfer to other components of shareholders' equity	-	-
40	Hedging of equity instruments measured at fair value through other comprehensive income	-	-
	a) fair value changes (hedged instrument)	-	-
	b) fair value changes (hedging instrument)	-	-
50	Property and equipment	10	14
60	Intangible assets	-	-
70	Defined benefit plans	41	15
80	Non-current assets held for sale and discontinued operations	-	-
90	Share of valuation reserves connected with investments carried at equity	-	-
100	Income taxes associated with other comprehensive income that may not be reclassified to the income statement	-	-6
	Other comprehensive income that may be reclassified to the income statement	**794**	**-311**
110	Hedges of foreign investments:	-	-
	a) fair value changes	-	-
	b) reclassification to the income statement	-	-
	c) other changes	-	-
120	Foreign exchange differences:	-	-
	a) value change	-	-
	b) reclassification to the income statement	-	-
	c) other changes	-	-
130	Cash flow hedges:	46	212
	a) fair value changes	*91*	*351*
	b) reclassification to the income statement	*-45*	*-139*
	c) other changes	-	-
	of which: gains (losses) on net positions	-	-
140	Hedging instruments (not designated elements)	-	-
	a) value change	-	-
	b) reclassification to the income statement	-	-
	c) other changes	-	-
150	Financial assets (other than equities) measured at fair value through other comprehensive income	1,139	-676
	a) fair value changes	*1,349*	*-454*
	b) reclassification to the income statement	*-212*	*-222*
	- adjustments for credit risk	*22*	*7*
	- gains/losses on disposals	*-234*	*-229*
	c) other changes	*2*	-
160	Non-current assets held for sale and discontinued operations	-	-
	a) fair value changes	-	-
	b) reclassification to the income statement	-	-
	c) other changes	-	-
170	Share of valuation reserves connected with investments carried at equity:	-	-
	a) fair value changes	-	-
	b) reclassification to the income statement	-	-
	- impairment losses	-	-
	- gains/losses on disposals	-	-
	c) other changes	-	-
180	Income taxes associated with other comprehensive income that may be reclassified to the income statement	-391	153
190	**Total other comprehensive income**	**859**	**-150**
200	**Comprehensive income (Captions 10+190)**	**7,703**	**5,454**

Part E – Information on risks and relative hedging policies

INTRODUCTION

This part of the Notes to the Parent Company's financial statements provides the quantitative information on risks relative to the Parent Company, Intesa Sanpaolo. For qualitative information regarding the methods whereby risks are managed and monitored, the organisation of the Bank's risk governance, the associated processes and key functions, the culture of risk-awareness at the Bank and the methods whereby it is ensured that this culture is spread, the main risks associated with the Bank's business model, the risk appetite and the methods whereby such risks are managed and the use of stress tests within risk governance strategies, refer to Part E of the Notes to the consolidated financial statements.
The qualitative and quantitative disclosure is presented according to the order established by Bank of Italy Circular 262, which specifically regulates not only the format of the tables but also the sequence of the various topics, except for the section relating to market risks in relation to the application of internal models.

SECTION 1 – CREDIT RISK

QUALITATIVE INFORMATION

Qualitative information on Intesa Sanpaolo's credit quality is contained in Part E of the Notes to the consolidated financial statements.

QUANTITATIVE INFORMATION

A. CREDIT QUALITY

For the purposes of quantitative information about credit quality, the term "credit exposures" is understood to exclude equities and quotas of UCI.
The term "on-balance sheet credit exposures" refers to all the on-balance sheet financial assets due from banks or customers, irrespective of the accounting portfolio they are allocated to (measured at fair value through profit or loss, measured at fair value through other comprehensive income, measured at amortised cost, or discontinued financial assets). Although on demand receivables due from banks and central banks come under the definition of on-balance sheet exposures, by convention they are not included in the tables in Section 1, except in cases specifically identified by Bank of Italy Circular 262, where they must be considered.
The term "off-balance sheet exposures" refers to all the financial transactions that are not on the balance sheet (guarantees given, revocable and irrevocable commitments, derivatives, etc.) but entail the assumption of credit risk, regardless of the purpose of those transactions (trading, hedging, etc.). The off-balance sheet credit exposures also include the counterparty risk associated with any securities lending transactions. Also worth noting is the counterparty risk associated with exposures relating to repurchase agreements, transactions involving the granting or assumption of goods on loan, and loans with margins falling within the notion of securities financing transactions defined by the prudential regulations.
Non-performing credit exposures (on-balance sheet and off-balance sheet) do not include financial assets held for trading and hedging derivatives, which are therefore normally recognised as performing credit exposures.

A.1 Performing and non-performing credit exposures: amounts, adjustments, changes, and economic breakdown

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

(millions of euro)

Portfolios/quality	Bad loans	Unlikely to pay	Non-performing past due exposures	Performing past due exposures	Other performing exposures	TOTAL
1. Financial assets measured at amortised cost	567	3,058	236	1,883	450,609	456,353
2. Financial assets measured at fair value through other comprehensive income	-	5	-	-	69,447	69,452
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets mandatorily measured at fair value	1	11	-	28	558	598
5. Non-current financial assets held for sale	242	258	-	-	-	500
Total 31.12.2025	**810**	**3,332**	**236**	**1,911**	**520,614**	**526,903**
Total 31.12.2024	**985**	**3,132**	**278**	**2,178**	**498,012**	**504,585**

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

(millions of euro)

Portfolios/quality	NON-PERFORMING ASSETS				PERFORMING ASSETS			TOTAL (net exposure)
	Gross exposure	Total adjustments	Net exposure	Overall partial write-off	Gross exposure	Total adjustments	Net exposure	
1. Financial assets valued to amortized cos	6,760	-2,899	3,861	1,029	453,825	-1,333	452,492	456,353
2. Financial assets valued to fair value with impact on overall profitability	45	-40	5	-	69,485	-38	69,447	69,452
3. Financial assets designated to fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily valuated to fair value	48	-36	12	-	X	X	586	598
5. Financial assets as held for sale	1,890	-1,390	500	370	-	-	-	500
Total 31.12.2025	**8,743**	**-4,365**	**4,378**	**1,399**	**523,310**	**-1,371**	**522,525**	**526,903**
Total 31.12.2024	**8,742**	**-4,347**	**4,395**	**1,477**	**501,198**	**-1,583**	**500,190**	**504,585**

(millions of euro)

Portfolios/quality	ASSETS OF EVIDENTLY LOW CREDIT QUALITY		OTHER ASSETS
	Cumulative capital losses	Net exposure	Net exposure
1. Financial assets held for trading	-18	21	40,934
2. Hedging derivatives	-	-	6,803
Total 31.12.2025	**-18**	**21**	**47,737**
Total 31.12.2024	**-15**	**19**	**40,227**

A.1.3 Breakdown of financial assets by past-due brackets (book value)

(millions of euro)

Portfolios/risk stages	STAGE 1			STAGE 2			STAGE 3			PURCHASED OR ORIGINATED CREDIT-IMPAIRED		
	Between 1 and 30 days	Between 30 and 90 days	Over 90 days	Between 1 and 30 days	Between 30 and 90 days	Over 90 days	Between 1 and 30 days	Between 30 and 90 days	Over 90 days	Between 1 and 30 days	Between 30 and 90 days	Over 90 days
1. Financial assets measured at amortised cost	832	94	228	454	194	78	102	124	2,052	3	3	16
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	5	-	-	-
3. Non-current financial assets held for sale	-	-	-	-	-	-	10	3	319	-	-	18
Total 31.12.2025	**832**	**94**	**228**	**454**	**194**	**78**	**112**	**127**	**2,376**	**3**	**3**	**34**
Total 31.12.2024	**940**	**165**	**241**	**460**	**235**	**116**	**125**	**141**	**2,547**	**7**	**1**	**86**

The values of assets more than 90 days past due, relating to exposures classified in stage 1 and 2 refer to loans that do not meet the conditions to be classified under non-performing past due exposures (below the materiality threshold).

A.1.4 Financial assets, commitments to disburse funds and financial guarantees given: changes in total adjustments and total provisions

(millions of euro)

Reasons/risk stages	TOTAL ADJUSTMENTS											
	Stage 1 assets						Stage 2 assets					
	On demand due from banks and Central Banks	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Non-current financial assets held for sale	*of which: individual impairment losses*	*of which: collective impairment losses*	On demand due from banks and Central Banks	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Non-current financial assets held for sale	*of which: individual impairment losses*	*of which: collective impairment losses*
Total opening adjustments	**2**	**388**	**13**	**-**	***403***	**-**	**-**	**1,162**	**14**	**-**	***1,176***	**-**
Changes in increase from financial assets acquired or originated	-	170	8	-	*178*	-	-	-	-	-	-	-
Cancellations other than write-offs	-	-54	-4	-	*-58*	-	-	-70	-7	-	*-77*	-
Net value adjustments / write-backs for credit risk	-	-160	-2	-	*-162*	-	-	-121	16	-	*-105*	-
Contractual changes without cancellations	-	-	-	-	-	-	-	19	-	-	*19*	-
Changes in the estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs non recorded directly in the income statement	-	-	-	-	-	-	-	-	-	-	-	-
Other variations	-	-4	-	-	*-4*	-	-	-	-	-	-	-
Total closing adjustments	**2**	**340**	**15**	**-**	***357***	**-**	**-**	**990**	**23**	**-**	***1,013***	**-**
Recoveries from financial assets subject to write-off	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs recorded directly in the income statement	-	-	-	-	-	-	-	-	-	-	-	-

(millions of euro)

Reasons/risk stages	TOTAL ADJUSTMENTS											
	Stage 3 assets						Purchased or originated credit-impaired financial assets					
	On demand due from banks and Central Banks	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Non-current financial assets held for sale	*of which: individual impairment losses*	*of which: collective impairment losses*	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Non-current financial assets held for sale	*of which: individual impairment losses*	*of which: collective impairment losses*
Total opening adjustments	**-**	**3,890**	**40**	**287**	***4,217***	**-**	**97**	**-**	**1**	***98***	**-**
Changes in increase from financial assets acquired or originated	-	-	-	-	-	-	X	X	X	*X*	*X*
Cancellations other than write-offs	-	-1,994	-	-285	*-2,279*	-	-67	-	-1	*-68*	-
Net value adjustments / write-backs for credit risk	-	1,684	-	-	*1,684*	-	2	-	-	*2*	-
Contractual changes without cancellations	-	12	-	-	*12*	-	-	-	-	-	-
Changes in the estimation methodology	-	-	-	-	-	-	-	-	-	-	-
Write-offs non recorded directly in the income statement	-	-712	-	-2	*-714*	-	-11	-	-	*-11*	-
Other variations	-	-29	-	1,343	*1,314*	-	30	-	47	*77*	-
Total closing adjustments	**-**	**2,851**	**40**	**1,343**	***4,234***	**-**	**51**	**-**	**47**	***98***	**-**
Recoveries from financial assets subject to write-off	-	28	-	-	*28*	-	-	-	-	-	-
Write-offs recorded directly in the income statement	-	-47	-	-	*-47*	-	-13	-	-	*-13*	-

A.1.4 Financial assets, commitments to disburse funds and financial guarantees given: changes in total adjustments and total provisions – continued –

(millions of euro)

Reasons/risk stages	TOTAL PROVISIONS ON COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES GIVEN				TOTAL
	Stage 1	Stage 2	Stage 3	Commitments to disburse funds and financial guarantees given impaired purchased or originated	
Total opening adjustments	**60**	**64**	**303**	**-**	**6,321**
Changes in increase from financial assets acquired or originated	7	-	-	-	**185**
Cancellations other than write-offs	-3	-3	-	-	**-2,488**
Net value adjustments / write-backs for credit risk	35	22	69	-	**1,545**
Contractual changes without cancellations	-	-	-	-	**31**
Changes in the estimation methodology	-	-	-	-	**-**
Write-offs non recorded directly in the income statement	-	-	-	-	**-725**
Other variations	-1	1	-	-	**1,387**
Total closing adjustments	**98**	**84**	**372**	**-**	**6,256**
Recoveries from financial assets subject to write-off	-	-	-	-	**28**
Write-offs recorded directly in the income statement	-	-	-	-	**-60**

Intesa Sanpaolo does not use the simplified method for the valuation of the loss allowance in relation to trade receivables, contract assets and lease receivables (method envisaged by IFRS 9, paragraph 5.5.15).

A.1.5 Financial assets, commitments to disburse funds and financial guarantees given: transfers between stages of credit risk (gross and nominal amounts)

(millions of euro)

Portfolios/risk stages	GROSS AMOUNTS/NOMINAL VALUE					
	Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3	
	To Stage 2 from Stage 1	To Stage 1 from Stage 2	To Stage 3 from Stage 2	To Stage 2 from Stage 3	To Stage 3 from Stage 1	To Stage 1 from Stage 3
1. Financial assets measured at amortised cost	14,899	6,160	1,838	335	963	29
2. Financial assets measured at fair value through other comprehensive income	539	63	-	-	-	-
3. Non-current financial assets held for sale	-	-	-	-	-	-
4. Commitments to provide funds and financial guarantees issued	13,376	4,093	100	18	184	8
Total 31.12.2025	**28,814**	**10,316**	**1,938**	**353**	**1,147**	**37**
Total 31.12.2024	**23,758**	**11,157**	**1,401**	**297**	**1,572**	**47**

On 16 December 2022, the EBA repealed the Guidelines on reporting and disclosure of exposures subject to measures applied in response to the COVID-19 crisis, contained in EBA/GL/2020/07, with effect from 1 January 2023, following the change in the scenario related to the pandemic. However, the Bank of Italy, in the communication dated 14 March 2023, requested that certain financial statement disclosures be maintained, in free format, on transfers between the various credit risk stages which involved the loans subject to public guarantees issued in response to the COVID-19 situation.
In that regard, it is noted that the loans subject to COVID-19 public guarantees measured at amortised cost that were transferred from stage 1 to stage 2 in 2025 amounted to 637 million euro, while those transferred from stage 2 to stage 1 amounted to 291 million euro. Transfers from stage 2 to stage 3 amounted to 189 million euro, from stage 3 to stage 2 amounted to 8 million euro, from stage 1 to stage 3 amounted to 193 million euro and, lastly, from stage 3 to stage 1 amounted to 2 million euro.

A.1.6 On- and off-balance sheet credit exposures to banks: gross and net values

(millions of euro)

Type of exposure/amounts	Gross exposure					Total adjustments and total provisions for credit risk					Net exposure	Total partial write-offs
		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
A. ON-BALANCE SHEET EXPOSURES												
A.1 ON DEMAND	**22,558**	**22,529**	**29**	**-**	**-**	**-2**	**-2**	**-**	**-**	**-**	**22,556**	**-**
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	22,558	22,529	29	X	-	-2	-2	-	X	-	22,556	-
A.2 OTHERS	**62,587**	**59,407**	**103**	**15**	**-**	**-43**	**-26**	**-4**	**-12**	**-**	**62,544**	**-**
a) Bad loans	3	X	-	3	-	-3	X	-	-3	-	-	-
- of which: forborne exposures	-	*X*	-	-	-	-	*X*	-	-	-	-	-
b) Unlikely to pay	12	X	-	12	-	-9	X	-	-9	-	3	-
- of which: forborne exposures	*11*	*X*	-	*11*	-	*-9*	*X*	-	*-9*	-	2	-
c) Non-performing past due exposures	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	*X*	-	-	-	-	*X*	-	-	-	-	-
d) Performing past due exposures	1	1	-	X	-	-	-	-	X	-	1	-
- of which: forborne exposures	-	-	-	*X*	-	-	-	-	*X*	-	-	-
e) Other performing exposures	62,571	59,406	103	X	-	-31	-26	-4	X	-	62,540	-
- of which: forborne exposures	-	-	-	*X*	-	-	-	-	*X*	-	-	-
TOTAL (A)	**85,145**	**81,936**	**132**	**15**	**-**	**-45**	**-28**	**-4**	**-12**	**-**	**85,100**	**-**
B. OFF-BALANCE SHEET EXPOSURES												
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	74,905	62,801	458	X	-	-1	-1	-	X	-	74,904	-
TOTAL (B)	**74,905**	**62,801**	**458**	**-**	**-**	**-1**	**-1**	**-**	**-**	**-**	**74,904**	**-**
TOTAL (A+B)	**160,050**	**144,737**	**590**	**15**	**-**	**-46**	**-29**	**-4**	**-12**	**-**	**160,004**	**-**

A.1.7 On- and off-balance sheet credit exposures to customers: gross and net values

(millions of euro)

Type of exposure/Amounts	Gross exposure					Total adjustments and total provisions for credit risk					Net Exposure	Total partial write-offs
		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
A. ON-BALANCE SHEET EXPOSURES												
a) Bad loans	2,968	X	-	2,874	92	-2,158	X	-	-2,087	-70	810	1,098
- of which: forborne exposures	*714*	*X*	*-*	*675*	*39*	*-513*	*X*	*-*	*-484*	*-29*	*201*	*156*
b) Unlikely to pay	5,455	X	-	5,353	57	-2,126	X	-	-2,066	-26	3,329	301
- of which: forborne exposures	*1,801*	*X*	*-*	*1,767*	*33*	*-691*	*X*	*-*	*-679*	*-12*	*1,110*	*49*
c) Non-performing past due exposures	305	X	-	304	1	-69	X	-	-69	-	236	-
- of which: forborne exposures	*36*	*X*	*-*	*36*	*-*	*-9*	*X*	*-*	*-9*	*-*	*27*	*-*
d) Performing past due exposures	1,971	1,158	782	X	3	-61	-4	-57	X	-	1,910	-
- of which: forborne exposures	*194*	*-*	*193*	*X*	*-*	*-15*	*-*	*-15*	*X*	*-*	*179*	*-*
e) Other performing exposures	472,741	434,780	27,022	X	56	-1,279	-325	-952	X	-2	471,462	-
- of which: forborne exposures	*3,753*	*-*	*3,736*	*X*	*7*	*-181*	*-*	*-181*	*X*	*-*	*3,572*	*-*
TOTAL (A)	**483,440**	**435,938**	**27,804**	**8,531**	**209**	**-5,693**	**-329**	**-1,009**	**-4,222**	**-98**	**477,747**	**1,399**
B. OFF-BALANCE SHEET EXPOSURES												
a) Non-performing	1,863	X	-	1,863	-	-373	X	-	-373	-	1,490	-
b) Performing	309,230	260,008	18,074	X	1	-181	-97	-84	X	-	309,049	-
TOTAL (B)	**311,093**	**260,008**	**18,074**	**1,863**	**1**	**-554**	**-97**	**-84**	**-373**	**-**	**310,539**	**-**
TOTAL (A+B)	**794,533**	**695,946**	**45,878**	**10,394**	**210**	**-6,247**	**-426**	**-1,093**	**-4,595**	**-98**	**788,286**	**1,399**

Purchased or originated credit-impaired financial assets mainly include financial assets purchased "through business combinations".
The exposures also include financial assets allocated to the Assets held for sale accounting portfolio.

The On- and off-balance sheet credit exposures to customers classified as stage 2 mainly include the positions for which a change (behind specific thresholds) was found in the lifetime probability of default compared to the time of initial recognition of the financial instrument in the financial statements. For the purpose of classification in stage 2 – without prejudice to the materiality thresholds identified by the regulations – exposures that are past due by at 30 days or subject to forbearance measures are important. Activating a forbearance measure implies a minimum probation period of 24 month in Stage 2. Moreover, some of the indicators from the credit monitoring systems are now considered for the purposes of the transfer between stages (early warning systems). Where signals of high risk (traffic light results) are identified for at least three consecutive months by such systems, a perimeter of potentially riskier counterparties is defined, to be classified in Stage 2.

To complement the above methodology, a "relative" threshold has also been established (tripling of lifetime PD at the observation date compared to the lifetime PD at the initial recognition date), which acts on a residual basis compared to the main methodology, i.e. the change in the lifetime probability of default. Therefore, if this threshold is exceeded, the position is automatically classified to Stage 2. In order to avoid the "sliding" into Stage 2 of particularly high credit quality positions, the threshold is only triggered for non-investment grade loans and securities, identified considering the definitions within the Group.

Lastly, there were staging allocation affects within the in-model adjustments, linked to the identification of "extreme" scenarios and the incorporation of the climate risk effect, and within the post-model adjustment aimed at capturing the effects on the portfolios most vulnerable to emerging risk factors.

The gross amount of loans subject to COVID-19 public guarantees as at 31 December 2025 came to 8,037 million euro. The aggregate comprised performing exposures of 7,093 million euro gross, with 21 million euro in adjustments and non-performing exposures of 943 million euro gross, with 319 million euro in adjustments. Performing exposures are broken down into (i) performing past due loans for 72 million euro gross, with 1 million euro in adjustments and (ii) performing loans not past due for 7,022 million euro gross, with 20 million euro in adjustments.

A.1.8 On-balance sheet credit exposures to banks: changes in gross non-performing exposures

(millions of euro)

Reasons/Categories	Bad loans	Unlikely to pay	Non-performing past due exposures
A. Initial gross exposure	**4**	**16**	**-**
- of which: exposures sold not derecognised	-	-	-
B. Increases	**-**	**1**	**-**
B.1 inflows from performing exposures	-	-	-
B.2 inflows from purchased or originated credit-impaired financial assets	-	-	-
B.3 transfers from other non-performing exposures categories	-	-	-
B.4 changes in contracts without derecognition	-	-	-
B.5 other increases	-	1	-
C. Decreases	**-1**	**-5**	**-**
C.1 outflows to performing exposures	-	-	-
C.2 write-offs	-	-	-
C.3 collections	-1	-4	-
C.4 profits on disposal	-	-	-
C.5 losses on disposal	-	-	-
C.6 transfers to other non-performing exposure categories	-	-	-
C.7 changes in contracts without derecognition	-	-	-
C.8 other decreases	-	-1	-
D. Final gross exposure	**3**	**12**	**-**
- of which: exposures sold not derecognised	-	-	-

A.1.8 Bis On-balance sheet credit exposures to banks: changes in gross forborne exposures broken down by credit quality

(millions of euro)

Description/Quality	Forborne exposures: non-performing	Forborne exposures: performing
A. Initial gross exposure	**15**	**-**
- of which: exposures sold not derecognised	-	-
B. Increases	**-**	**-**
B.1 inflows from performing not forborne exposures	-	-
B.2. inflows from performing forborne exposures	-	X
B.3. inflows from impaired forborne exposures	X	-
B.4 inflows from non-performing non-forborne exposures	-	-
B.5 other increases	-	-
C. Decreases	**-4**	**-**
C.1 outflows to performing not forborne exposures	X	-
C.2 outflows to performing forborne exposures	-	X
C.3 outflows to exposures subject to impaired concessions	X	-
C.4 write-offs	-	-
C.5 collections	-3	-
C.6 profits on disposal	-	-
C.7 losses on disposal	-	-
C.8 other decreases	-1	-
D. Final gross exposure	**11**	**-**
- of which: exposures sold not derecognised	-	-

A.1.9 On-balance sheet credit exposures to customers: changes in gross non-performing exposures

(millions of euro)

Reasons/Categories	Bad loans	Unlikely to pay	Non-performing past due exposures
A. Initial gross exposure	**3,192**	**5,167**	**363**
- of which: exposures sold not derecognised	*21*	*285*	*148*
B. Increases	**1,569**	**3,469**	**323**
B.1 inflows from performing exposures	232	2,989	313
B.2 inflows from purchased or originated credit-impaired financial assets	-	-	-
B.3 transfers from other non-performing exposures categories	1,210	210	1
B.4 changes in contracts without derecognition	-	1	-
B.5 other increases	127	269	9
C. Decreases	**-1,793**	**-3,181**	**-381**
C.1 outflows to performing exposures	-4	-372	-38
C.2 write-offs	-660	-124	-1
C.3 collections	-510	-733	-47
C.4 profits on disposal	-82	-368	-1
C.5 losses on disposal	-2	-4	-
C.6 transfers to other non-performing exposure categories	-4	-1,125	-292
C.7 changes in contracts without derecognition	-	-11	-
C.8 other decreases	-531	-444	-2
D. Final gross exposure	**2,968**	**5,455**	**305**
- of which: exposures sold not derecognised	*85*	*1,205*	*145*

The other increases mainly include the increases in the amounts for charges and the increase in the amounts in foreign currency due to changes in the exchange rate.
The other decreases mainly include the portfolio of loans classified as "bad loans" and "unlikely to pay" sold during the year.

A.1.9 Bis On-balance sheet credit exposures to customers: changes in gross forborne exposures broken down by credit quality

(millions of euro)

Reasons/Quality	Forborne exposures: non-performing	Forborne exposures: performing
A. Opening balance (gross amount)	**2,831**	**4,082**
- Sold but not derecognised	*93*	*820*
B. Increases	**1,150**	**2,460**
B.1 transfers from performing not forborne exposures	164	2,074
B.2.transfers from performing forborne exposures	711	X
B.3. transfers from impaired forborne exposures	X	219
B.4 inflows from forborne non-performing exposures	80	1
B.5 other increases	195	166
C. Decreases	**-1,430**	**-2,595**
C.1 Transfers to performing not forborne exposures	X	-1,078
C.2 Transfers to performing forborne exposures	-219	X
C.3 transfers to impaired exposures not forborne	X	-711
C.4 write-offs	-129	-
C.5 recoveries	-361	-738
C.6 sales proceeds	-267	-
C.7 losses on disposals	-4	-
C.8 other decreases	-450	-68
D. Closing balance (gross amounts)	**2,551**	**3,947**
- Sold but not derecognised	*155*	*576*

The other increases mainly include the increases in the amounts for charges.
The Other decreases mainly include the portfolios classified as "bad loans" and "unlikely to pay" sold during the year.

A.1.10 On-balance sheet non-performing credit exposures to banks: changes in total adjustments

(millions of euro)

Reasons/Categories	BAD LOANS		UNLIKELY TO PAY		NON-PERFORMING PAST DUE EXPOSURES	
	Total	*of which: forborne exposures*	Total	*of which: forborne exposures*	Total	*of which: forborne exposures*
A. Initial total adjustments	**4**	**-**	**7**	**7**	**-**	**-**
- of which: exposures sold not derecognised	-	-	-	-	-	-
B. Increases	**1**	**-**	**2**	**2**	**-**	**-**
B.1 adjustments to purchased or originated credit-impaired assets	-	*X*	-	*X*	-	*X*
B.2 other value adjustments	-	-	2	*2*	-	-
B.3 losses on disposal	-	-	-	-	-	-
B.4 transfers from other non-performing exposures categories	-	-	-	-	-	-
B.5 changes in contracts without derecognition	-	-	-	-	-	-
B.6 other increases	1	-	-	-	-	-
C. Decreases	**-2**	**-**	**-**	**-**	**-**	**-**
C.1 recoveries on impairment losses	-	-	-	-	-	-
C.2 recoveries on repayments	-2	-	-	-	-	-
C.3 profits on disposal	-	-	-	-	-	-
C.4 write-offs	-	-	-	-	-	-
C.5 transfers to other non-performing exposure categories	-	-	-	-	-	-
C.6 changes in contracts without derecognition	-	-	-	-	-	-
C.7 other decreases	-	-	-	-	-	-
D. Final total adjustments	**3**	**-**	**9**	**9**	**-**	**-**
- of which: exposures sold not derecognised	-	-	-	-	-	-

A.1.11 On-balance sheet non-performing credit exposures to customers: changes in total adjustments

(millions of euro)

Description/Category	NON-PERFORMING LOANS		UNLIKELY TO PAY		NON-PERFORMING PAST DUE EXPOSURES	
	Total	*of which: forborne exposures*	Total	*of which: forborne exposures*	Total	*of which: forborne exposures*
A. Opening balance overall amount of writedowns	**2,207**	***523***	**2,044**	***726***	**85**	***10***
- Sold but not derecognised	*14*	*2*	*103*	*20*	*35*	*5*
B. Increases	**1,466**	***324***	**1,377**	***504***	**68**	***9***
B.1 impairment losses on acquired or originated assets	-	*X*	-	*X*	-	*X*
B.2 other value adjustments	945	*229*	1,177	*440*	67	*9*
B.3 losses on disposal	2	*1*	4	*3*	-	-
B.4 transfer from other impaired exposure	472	*84*	53	*9*	1	-
B.5 contractual changes without cancellations	-	-	21	*21*	-	-
B.6 other increases	47	*10*	122	31	-	-
C. Reductions	**-1,515**	***-334***	**-1,295**	***-539***	**-84**	***-10***
C.1 write-backs from assessments	-138	*-35*	-158	*-84*	-6	-
C.2 write-backs from recoveries	-119	*-28*	-71	*-27*	-1	-
C.3 gains on disposal	-1	-	-27	*-25*	-	-
C.4 write-offs	-660	*-101*	-124	*-28*	-1	-
C.5 transfers to other impaired exposures	-2	*-1*	-449	*-82*	-75	*-10*
C.6 contractual changes without cancellations	-	-	-8	*-8*	-	-
C.7 other decreases	-595	*-169*	-458	*-285*	-1	-
D. Closing overall amount of writedowns	**2,158**	***513***	**2,126**	***691***	**69**	***9***
- Sold but not derecognised	*58*	*6*	*237*	*29*	*29*	*4*

The other increases mainly include the collections of loans already derecognised in full (through "recoveries on repayments") and increases in the balances of allowances in foreign currency due to changes in the exchange rate.
The other decreases mainly include the portfolio of loans classified as "bad loans" and "unlikely to pay" sold during the year. This caption also includes the collections of overdue interest applied in previous years, losses on disposal not covered by the allowance, the decrease in allowances in foreign currency due to changes in the exchange rate and the reduction in the allowances for adjustment due to the passing of time.

A.2 Classification of financial assets, commitments to disburse funds and financial guarantees given based on internal and external rating

A.2.1 Breakdown of financial assets, commitments to disburse funds and financial guarantees given by external rating classes (gross amounts)

Intesa Sanpaolo uses the ratings supplied by the following external rating agencies for the portfolios subject to supervisory reporting: S&P Global Ratings, Moody's, Fitch Ratings and Morningstar DBRS.
In compliance with the regulations, if there are two ratings for the same customer, the most prudential of the two is used, when three ratings are available, the middle rating is adopted, and when all ratings are available, the second-best is taken. The Bank conducts independent due diligence on the ratings provided by the Agencies to enhance the understanding of the risk profile and characteristics of borrowers within its valuation processes, in order to ensure that the ratings applied are both appropriate and prudent.

For the mapping of the risk classes and agency ratings employed, see the corresponding section of the Notes to the consolidated financial statements.

(millions of euro)

Exposures	EXTERNAL RATING CLASSES						UNRATED	TOTAL
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6		
A. Financial assets measured at amortised cost	**26,136**	**39,457**	**89,276**	**5,927**	**868**	**109**	**298,812**	**460,585**
- Stage 1	25,922	38,991	88,616	5,616	568	11	267,179	426,903
- Stage 2	214	466	660	311	295	49	24,868	26,863
- Stage 3	-	-	-	-	5	49	6,632	6,686
- Purchased or originated credit-impaired	-	-	-	-	-	-	133	133
B. Financial assets measured at fair value through other comprehensive income	**27,055**	**26,670**	**13,279**	**1,014**	**53**	**16**	**1,443**	**69,530**
- Stage 1	26,801	26,369	13,215	918	24	3	1,112	68,442
- Stage 2	254	301	64	96	29	-	300	1,044
- Stage 3	-	-	-	-	-	13	31	44
- Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
C. Non-current financial assets held for sale	**-**	**-**	**-**	**-**	**-**	**-**	**1,890**	**1,890**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	1,815	1,815
- Purchased or originated credit-impaired	-	-	-	-	-	-	75	75
Total (A+B+C)	**53,191**	**66,127**	**102,555**	**6,941**	**921**	**125**	**302,145**	**532,005**
D. Commitments to disburse funds and financial guarantees given								
- Stage 1	14,491	27,218	126,216	14,656	1,727	93	139,886	324,287
- Stage 2	651	761	820	909	369	30	14,992	18,532
- Stage 3	-	-	-	-	-	7	1,856	1,863
- Purchased or originated credit-impaired	-	-	-	-	-	-	1	1
Total (D)	**15,142**	**27,979**	**127,036**	**15,565**	**2,096**	**130**	**156,735**	**344,683**
Total (A+B+C+D)	**68,333**	**94,106**	**229,591**	**22,506**	**3,017**	**255**	**458,880**	**876,688**

A.2.2 Breakdown of financial assets, commitments to disburse funds and financial guarantees given by internal rating classes (gross amounts)

The breakdown of exposures by internal rating classes shown in the following table is based on all ratings available in the credit risk management and control systems, in addition to ratings for validated models. These ratings include credit ratings assigned by external agencies for counterparties in customer segments for which an internal model is not available.

(millions of euro)

Exposures	Internal rating classes						Unrated	Total
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6		
A. Financial assets measured at amortized cost	**92,140**	**62,806**	**158,803**	**88,445**	**26,174**	**2,895**	**29,322**	**460,585**
- Stage 1	92,064	61,902	157,161	81,164	13,372	259	20,981	426,903
- Stage 2	74	904	1,623	7,207	12,242	1,472	3,341	26,863
- Stage 3	-	-	13	52	530	1,155	4,936	6,686
- Purchased or originated credit-impaired	2	-	6	22	30	9	64	133
B. Financial assets measured at fair value through other comprehensive income	**27,582**	**22,574**	**14,199**	**1,447**	**428**	**292**	**3,008**	**69,530**
- Stage 1	27,453	22,260	14,101	1,312	134	282	2,900	68,442
- Stage 2	129	314	98	135	294	-	74	1,044
- Stage 3	-	-	-	-	-	10	34	44
- Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
C. Non-current financial assets held for sale	**-**	**-**	**3**	**2**	**213**	**275**	**1,397**	**1,890**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	3	2	207	271	1,332	1,815
- Purchased or originated credit-impaired	-	-	-	-	6	4	65	75
Total (A+B+C)	**119,722**	**85,380**	**173,005**	**89,894**	**26,815**	**3,462**	**33,727**	**532,005**
D. Commitments and financial guarantees given								
- Stage 1	18,802	67,691	181,684	37,692	7,767	249	10,402	324,287
- Stage 2	411	4,010	1,735	6,865	3,454	506	1,551	18,532
- Stage 3	-	43	23	115	44	474	1,164	1,863
- Purchased or originated credit-impaired	-	-	-	-	-	-	1	1
Total (D)	**19,213**	**71,744**	**183,442**	**44,672**	**11,265**	**1,229**	**13,118**	**344,683**
Total (A+B+C+D)	**138,935**	**157,124**	**356,447**	**134,566**	**38,080**	**4,691**	**46,845**	**876,688**

A.3 Breakdown of guaranteed credit exposures by type of guarantee

A.3.1 Guaranteed on- and off-balance sheet credit exposures to banks

(millions of euro)

	Gross exposure	Net exposure	Collaterals (*) (1)				Personal guarantees (*) (2)	
							Credit derivatives	
			Real estate assets - mortgages	Real estate assets - finance leases	Securities	Other	CLN	Other derivatives: Central counterparties
1. Guaranteed on-balance sheet credit exposures:	**20,820**	**20,819**	**-**	**3**	**20,285**	**-**	**-**	**-**
1.1 totally guaranteed	20,579	20,578	-	3	20,285	-	-	-
- of which non-performing	-	-	-	-	-	-	-	-
1.2 partly guaranteed	241	241	-	-	-	-	-	-
- of which non-performing	-	-	-	-	-	-	-	-
2. Guaranteed off-balance sheet credit exposures:	**8,846**	**8,846**	**-**	**-**	**1,998**	**3,616**	**-**	**-**
2.1 totally guaranteed	5,251	5,251	-	-	1,997	1,295	-	-
- of which non-performing	-	-	-	-	-	-	-	-
2.2 partly guaranteed	3,595	3,595	-	-	1	2,321	-	-
- of which non-performing	-	-	-	-	-	-	-	-

(*) Fair value of the guarantee or, if difficult to determine, its contractual value; as required by the regulations, the latter is stated up to the net exposure value.

(millions of euro)

	Personal guarantees (*) (2)							Total
	Credit derivatives			Commitments				
	Other derivatives							(1)+(2)
	Banks	Other financial companies	Other counterparties	Public Administration	Banks	Other financial companies	Other counterparties	
1. Guaranteed on-balance sheet credit exposures:	**-**	**-**	**-**	**12**	**180**	**-**	**-**	**20,480**
1.1 totally guaranteed	-	-	-	12	5	-	-	20,305
- of which non-performing	-	-	-	-	-	-	-	-
1.2 partly guaranteed	-	-	-	-	175	-	-	175
- of which non-performing	-	-	-	-	-	-	-	-
2. Guaranteed off-balance sheet credit exposures:	**-**	**-**	**-**	**59**	**27**	**-**	**-**	**5,700**
2.1 totally guaranteed	-	-	-	39	21	-	-	3,352
- of which non-performing	-	-	-	-	-	-	-	-
2.2 partly guaranteed	-	-	-	20	6	-	-	2,348
- of which non-performing	-	-	-	-	-	-	-	-

(*) Fair value of the guarantee or, if difficult to determine, contractual value, the latter stated - as required by the regulations - up to the net exposure value.

A.3.2 Guaranteed on- and off-balance sheet credit exposures to customers

(millions of euro)

	Gross exposure	Net exposures	Collaterals (*) (1)				Guarantees (*) (2)	
							Credit derivatives	
			Property, Mortgages	Financial leases	Securities	Other assets	CLN	Other derivatives
								Central counterparties
1. Guaranteed on-balance sheet credit exposures:	**263,247**	**259,483**	**136,424**	**3,424**	**23,401**	**6,068**	**-**	**-**
1.1 totally guaranteed	205,739	202,798	135,963	3,333	22,737	4,106	-	-
- of which non-performing	*4,574*	*2,414*	*1,160*	*161*	*5*	*30*	-	-
1.2 partly guaranteed	57,508	56,685	461	91	664	1,962	-	-
- of which non-performing	*1,525*	*835*	*51*	*10*	*1*	*20*	-	-
2. Guaranteed off-balance sheet credit exposures:	**59,322**	**59,221**	**1,275**	**39**	**7,417**	**10,480**	**-**	**-**
2.1 totally guaranteed	36,515	36,442	1,112	3	7,318	3,609	-	-
- of which non-performing	*190*	*152*	*6*	*-*	*4*	*2*	-	-
2.2. partly guaranteed	22,807	22,779	163	36	99	6,871	-	-
- of which non-performing	*127*	*105*	*3*	*-*	*-*	*10*	-	-

(*) Fair value of the guarantee or, if difficult to determine, its contractual value; as required by the regulations, the latter is stated up to the net exposure value.

(millions of euro)

	Personal guarantees (*) (2)							Total
	Credit derivatives			Commitments				
	Other derivatives			Public administration	Banks	Other financial companies	Other counterparties	(1)+(2)
	Banks	Other financial companies	Other counterparties					
1. Guaranteed on-balance sheet credit exposures	**-**	**-**	**-**	**30,831**	**813**	**1,412**	**22,307**	**224,680**
1.1 totally guaranteed	-	-	-	15,176	486	1,124	19,182	202,107
- of which non-performing	-	-	-	*742*	*-*	*12*	*294*	*2,404*
1.2 partly guaranteed	-	-	-	15,655	327	288	3,125	22,573
- of which non-performing	-	-	-	*573*	*3*	*7*	*45*	*710*
2. Guaranteed off-balance sheet credit exposures:	**117**	**-**	**-**	**3,637**	**972**	**927**	**24,603**	**49,467**
2.1 totally guaranteed	117	-	-	1,808	600	867	19,998	35,432
- of which non-performing	-	-	-	*8*	*-*	*1*	*131*	*152*
2.2. partly guaranteed	-	-	-	1,829	372	60	4,605	14,035
- of which non-performing	-	-	-	*15*	*-*	*-*	*34*	*62*

(*) Fair value of the guarantee or, if difficult to determine, its contractual value; as required by the regulations, the latter is stated up to the net exposure value.

A.4 Financial assets and non-financial assets resulting from the enforcement of guarantees

(millions of euro)

	Derecognised credit exposure	Gross amount	Total adjustments	Book value	of which obtained during the year
A. Property and equipment	**220**	**211**	**-48**	**163**	**1**
A.1 Used in operations	2	2	-	2	-
A.2. Investment	112	99	-13	86	1
A.3 Inventories	106	110	-35	75	-
B. Equities and debt securities	**291**	**291**	**-181**	**110**	**-**
C. Other assets	**-**	**-**	**-**	**-**	**-**
D. Non-current assets held for sale and discontinued operations	**12**	**11**	**-3**	**8**	**-**
D.1 Property and equipment	12	11	-3	8	-
D.2. Other assets	-	-	-	-	-
Total 31.12.2025	**523**	**513**	**-232**	**281**	**1**
Total 31.12.2024	**606**	**576**	**-235**	**341**	**5**

As at 31 December 2025, there were financial assets and non-financial assets resulting from the enforcement of guarantees.

The Property and equipment related to assets acquired upon closure of non-performing credit exposures on finance lease contracts, connected to seized assets consisting of: 2 million euro for a property used in operations; 86 million euro for investment properties (65 million euro in buildings and 21 million euro in land); and 75 million euro for real estate stock (essentially buildings).

The equities and debt securities, with a carrying amount of 110 million euro (109 million euro as Financial assets mandatorily measured at fair value and 1 million euro as Financial assets measured at fair value through other comprehensive income) represent financial assets not previously provided by the borrower as security for pre-existing loans, but acquired under bilateral agreements with the borrower, following which the Bank derecognised the related credit exposure.

Property and equipment, included in the non-current assets held for sale and discontinued operations, consist of properties amounting to 8 million euro (5 million euro for buildings and 3 million euro for land).

B. BREAKDOWN AND CONCENTRATION OF CREDIT EXPOSURES

B.1 Breakdown of on- and off-balance sheet credit exposures to customers by sector

(millions of euro)

Exposures/Counterparties	Public administration		Financial companies		Financial companies (of which: insurance companies)	
	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures						
A.1 Bad loans	2	-5	2	-23	-	-
- of which: forborne exposures	-	-	-	-	-	-
A.2 Unlikely to pay	29	-12	693	-224	-	-
- of which: forborne exposures	*15*	*-4*	*63*	*-52*	-	-
A.3 Non-performing past due exposures	-	-	-	-	-	-
- of which: forborne exposures	-	-	-	-	-	-
A.4 Performing exposures	115,138	-37	75,936	-96	1,428	-
- of which: forborne exposures	*33*	*-1*	*211*	*-5*	-	-
Total (A)	**115,169**	**-54**	**76,631**	**-343**	**1,428**	**-**
B. Off-balance sheet exposures						
B.1 Non-performing exposures	7	-1	6	-	-	-
B.2 Performing exposures	18,989	-1	93,488	-60	2,969	-
Total (B)	**18,996**	**-2**	**93,494**	**-60**	**2,969**	**-**
Total (A+B) 31.12.2025	**134,165**	**-56**	**170,125**	**-403**	**4,397**	**-**
Total (A+B) 31.12.2024	**125,788**	**-233**	**186,767**	**-377**	**12,750**	**-**

(millions of euro)

Exposures/Counterparties	Non-financial companies		Households	
	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures				
A.1 Bad loans	602	-1,564	204	-566
- of which: forborne exposures	*146*	*-387*	*55*	*-126*
A.2 Unlikely to pay	1,905	-1,449	702	-441
- of which: forborne exposures	*732*	*-521*	*300*	*-114*
A.3 Non-performing past due exposures	75	-21	161	-48
- of which: forborne exposures	*7*	*-2*	*20*	*-7*
A.4 Performing exposures	141,677	-835	140,621	-372
- of which: forborne exposures	*2,703*	*-143*	*804*	*-47*
Total (A)	**144,259**	**-3,869**	**141,688**	**-1,427**
B. Off-balance sheet exposures				
B.1 Non-performing exposures	1,457	-367	20	-5
B.2 Performing exposures	186,210	-110	8,713	-10
Total (B)	**187,667**	**-477**	**8,733**	**-15**
Total (A+B) 31.12.2025	**331,926**	**-4,346**	**150,421**	**-1,442**
Total (A+B) 31.12.2024	**404,913**	**-4,241**	**150,112**	**-1,450**

B.2 Breakdown of on- and off-balance sheet credit exposures to customers by geographical area

(millions of euro)

Exposures/Geographical areas	Italy		Other European countries	
	Net exposures	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures				
A.1 Non-performing loans	767	-2,071	36	-27
A.2 Unlikely to pay	3,235	-2,073	54	-32
A.3 Non-performing past due exposures	235	-69	-	-
A.4 Performing exposures	328,526	-1,162	87,345	-122
Total (A)	**332,763**	**-5,375**	**87,435**	**-181**
B. Off-balance sheet exposure				
B.1 Non-performing exposures	1,473	-369	4	-2
B.2 Performing exposures	160,291	-80	72,905	-82
Total (B)	**161,764**	**-449**	**72,909**	**-84**
Total (A+B) 31.12.2025	**494,527**	**-5,824**	**160,344**	**-265**
Total (A+B) 31.12.2024	**499,920**	**-5,814**	**190,136**	**-265**

(millions of euro)

Exposures/Geographical areas	America		Asia		Rest of the world	
	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures						
A.1 Non-performing loans	6	-60	1	-	-	-
A.2 Unlikely to pay	5	-9	4	-3	31	-9
A.3 Non-performing past due exposures	1	-	-	-	-	-
A.4 Performing exposures	31,450	-30	16,209	-14	9,842	-12
Total (A)	**31,462**	**-99**	**16,214**	**-17**	**9,873**	**-21**
B. Off-balance sheet credit exposures						
B.1 Non-performing exposures	1	-	12	-2	-	-
B.2 Performing exposures	65,338	-15	6,094	-4	2,772	-
Total (B)	**65,339**	**-15**	**6,106**	**-6**	**2,772**	**-**
Total (A+B) 31.12.2025	**96,801**	**-114**	**22,320**	**-23**	**12,645**	**-21**
Total (A+B) 31.12.2024	**105,841**	**-128**	**25,655**	**-62**	**46,028**	**-32**

B.2 bis Breakdown of relations with customers resident in Italy by geographical area

(millions of euro)

Exposures/Geographical areas	North West		North East		Centre		South and islands	
	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures								
A.1 Bad loans	255	-649	106	-315	196	-552	210	-555
A.2 Unlikely to pay	1,365	-672	668	-472	606	-452	596	-477
A.3 Non-performing past due exposures	63	-19	36	-10	53	-15	83	-25
A.4 Performing exposures	109,561	-387	51,909	-198	116,802	-296	50,254	-281
Total A	**111,244**	**-1,727**	**52,719**	**-995**	**117,657**	**-1,315**	**51,143**	**-1,338**
B. Off-balance sheet exposures								
B.1 Non-performing exposures	414	-84	698	-217	205	-50	156	-18
B.2 Performing exposures	69,581	-37	27,706	-17	51,042	-15	11,962	-11
Total B	**69,995**	**-121**	**28,404**	**-234**	**51,247**	**-65**	**12,118**	**-29**
Total (A+B) 31.12.2025	**181,239**	**-1,848**	**81,123**	**-1,229**	**168,904**	**-1,380**	**63,261**	**-1,367**
Total (A+B) 31.12.2024	**188,432**	**-1,815**	**86,133**	**-1,129**	**161,261**	**-1,382**	**64,094**	**-1,488**

B.3 Breakdown of on- and off-balance sheet credit exposures to banks by geographical area

(millions of euro)

Exposures / Geographical Areas	Italy		Other European countries	
	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures				
A.1 Bad loans	-	-	-	-
A.2 Unlikely to pay	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-
A.4 Performing exposures	37,370	-2	35,142	-27
Total (A)	**37,370**	**-2**	**35,142**	**-27**
B. Off-balance sheet exposures				
B.1 Non-performing exposures	-	-	-	-
B.2 Performing exposures	6,110	-	46,853	-
Total (B)	**6,110**	**-**	**46,853**	**-**
Total (A+B) 31.12.2025	**43,480**	**-2**	**81,995**	**-27**
Total (A+B) 31.12.2024	**48,103**	**-2**	**117,505**	**-37**

(millions of euro)

Exposures / Geographical Areas	America		Asia		Rest of the world	
	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures						
A.1 Bad loans	-	-	-	-3	-	-
A.2 Unlikely to pay	3	-9	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-	-	-
A.4 Performing exposures	7,192	-	3,218	-	2,175	-4
Total (A)	**7,195**	**-9**	**3,218**	**-3**	**2,175**	**-4**
B. Off-balance sheet exposures						
B.1 Non-performing exposures	-	-	-	-	-	-
B.2 Performing exposures	6,558	-	10,348	-	2,802	-1
Total (B)	**6,558**	**-**	**10,348**	**-**	**2,802**	**-1**
Total (A+B) 31.12.2025	**13,753**	**-9**	**13,566**	**-3**	**4,977**	**-5**
Total (A+B) 31.12.2024	**13,852**	**-7**	**11,825**	**-4**	**4,139**	**-6**

B.3 bis Breakdown of relations with banks resident in Italy by geographical area

(millions of euro)

Exposures/Geographical areas	NORTH WEST		NORTH EAST		CENTRE		SOUTH AND ISLANDS	
	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments	Net exposure	Total adjustments
A. On-balance sheet exposures								
A.1 Bad loans	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-	-	-	-	-
A.4 Performing exposures	9,279	-1	1,948	-	26,043	-1	100	-
TOTAL A	**9,279**	**-1**	**1,948**	**-**	**26,043**	**-1**	**100**	**-**
B. Off-balance sheet exposures								
B.1 Non-performing exposures	-	-	-	-	-	-	-	-
B.2 Performing exposures	4,493	-	521	-	1,094	-	2	-
TOTAL B	**4,493**	**-**	**521**	**-**	**1,094**	**-**	**2**	**-**
TOTAL (A+B) 31.12.2025	**13,772**	**-1**	**2,469**	**-**	**27,137**	**-1**	**102**	**-**
TOTAL (A+B) 31.12.2024	**19,315**	**-1**	**2,119**	**-**	**26,661**	**-1**	**8**	**-**

B.4 Large exposures

Large exposures	
a) Book value (millions of euro)	324,713
b) Weighted value (millions of euro)	27,791
c) Number	16

Based on regulatory provisions, the number of "Large exposures" presented in the table was determined by the reference to unweighted "exposures" in excess of 10% of Tier 1 Capital as defined by the new Regulation (EU) 876/2019 (CRR2). The "exposures" are defined as the sum of on-balance sheet assets at risk and off-balance sheet transactions (excluding those deducted from Tier 1 Capital) with a customer or a group of connected clients, without applying risk weighting factors.
These presentation criteria result in the inclusion among "Large exposures" of entities that – even with a weighting of 0% – present an unweighted exposure in excess of 10% of Tier 1 Capital of the entity. In that regard, it is noted that the table above includes exposures to Intesa Sanpaolo Group companies, whose book value amounted to 99,918 million euro which, in line with prudential regulations, have a weighted value of zero.

Lastly, it should be noted that, in accordance with the provisions of the EBA document "Guidelines on connected clients under Article 4(1)(39) of Regulation (EU) 575/2013", the supervisory reports have standard methods of presentation of Groups of connected clients that (in the case of silos) require exposures to the central governments to be repeated within each corresponding economic group directly controlled by a central government or connected to it by economic dependence. However, the amounts shown in points a) and b) and the number shown in point c) in the table above include the exposure to the various central governments, to which the Intesa Sanpaolo Group is exposed, only once.

C. SECURITISATIONS

This section does not include securitisations where the originator is the Bank and all the liabilities (e.g. ABS securities, loans at the warehousing stage) issued by the vehicle companies are subscribed at the time of issue by the Bank. For a description of these types of transactions, see the section on liquidity risk in Part E of the Notes to the Parent Company's financial statements.

Qualitative information

The qualitative information is contained in Part E of the Notes to the consolidated financial statements.

Quantitative information

C.1 Breakdown of exposures deriving from the main "originated" securitisations by type of securitised asset and by type of exposure

On-balance sheet

(millions of euro)

Type of securitised asset/ Exposure	ON-BALANCE SHEET EXPOSURES					
	Senior		Mezzanine		Junior	
	Book value	Adjust./ recoveries	Book value	Adjust./ recoveries	Book value	Adjust./ recoveries
A. Fully derecognised	**3,379**	**-47**	**30**	**-3**	**8**	**2**
- Leases (a)	1,660	-1	12	-1	-	-
- Loans to businesses (including SMEs) (b)	1,411	-46	18	-2	8	2
- Residential mortgage loans (b)	308	-	-	-	-	-
B. Partly derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C. Not derecognised	**46,379**	**5**	**288**	**-**	**408**	**1**
- Loans to businesses (including SMEs) (c) (d)	40,472	3	283	-	346	1
- Commercial mortgage loans (c)	2,322	-	-	-	15	-
- Residential mortgage loans (c)	1,874	2	5	-	22	-
- Leases (c)	1,711	-	-	-	25	-
TOTAL	**49,758**	**-42**	**318**	**-3**	**416**	**3**

(a) The amounts refer to the Portland securitisation relating to non-performing financial assets for amounts of 2 million euro – senior and 2 million euro – mezzanine, respectively (see the 2021 Consolidated Financial Statements for details of the transaction) and the Teseo transaction relating to performing financial assets (see the 2022 Consolidated Financial Statements for details of the transaction).

(b) The entire amount relates to non-performing financial assets.
The Loans to businesses (including SMEs) relate to the Savoy, Kerma, Yoda and Sirio, Grogu and Kerdos, Organa and Andor securitisations (see the 2018, 2019, 2020, 2021, 2022 and 2023 Consolidated Financial Statements, respectively, for details about the transactions). Residential mortgage loans relate to the Maior and Iseo securitisations.

(c) The captions also include performing amounts associated with the synthetic securitisations originated by the Bank.

(d) The entire amount relates to the performing financial assets, including the exposure for the Chewbecca securitisation (see the 2023 Consolidated Financial Statements for details of the transaction).

Off-balance sheet

This type of exposure did not exist as at 31 December 2025.

C.2 Breakdown of exposures deriving from main "third-party" securitisations by type of securitised asset and by type of exposure

On-balance sheet

(millions of euro)

Type of underlying assets/Exposures	ON-BALANCE SHEET EXPOSURES					
	Senior		Mezzanine		Junior	
	Book value	Adjust./ recoveries	Book value	Adjust./ recoveries	Book value	Adjust./ recoveries
Loans to businesses (including SMEs)	4,366	2	98	-	1	-
Consumer credit	1,640	-	13	-	-	-
Leases	559	-2	2	-	-	-
Residential mortgage loans	471	2	31	-	-	-
Trade receivables	308	-2	2	-	8	-
Commercial mortgage loans	176	1	3	-	-	-
Covered bonds	29	-	8	-	-	-
Securitisations	29	1	-	-	-	-
Other assets (a)	6,134	-3	-	-	-	-
TOTAL	**13,712**	**-1**	**157**	**-**	**9**	**-**

(a) The amount also includes the Romulus securities for 3,812 million euro, held by the Bank, shown under third-party securitisations, as well as loans to the vehicle Duomo Funding Plc for 2,156 million euro as a result of the use of credit lines. For more information regarding the type of underlying assets, see Section 4 – Risks of other companies, of Part E of the Notes to the consolidated financial statements.

Off-balance sheet

(millions of euro)

Type of underlying assets/Exposures	GUARANTEES GIVEN						CREDIT LINES					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Net exposure	Adjust./ recoveries	Net exposure	Adjust./ recoveries	Net exposure	Adjust./ recoveries	Net exposure	Adjust./ recoveries	Net exposure	Adjust./ recoveries	Net exposure	Adjust./ recoveries
Duomo ABCP Conduit transactions (a)	-	-	-	-	-	-	(a)	(a)	-	-	-	-
Loans to businesses including SMEs	-	-	-	-	-	-	210	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**210**	**-**	**-**	**-**	**-**	**-**

(a) With regard to the transactions carried out through Duomo Funding Plc and funded by ABCP, the Bank has granted liquidity facilities (amounting to 4,479 million euro in terms of net exposures and 23 million euro of adjustments) to secure the assets included under Other assets in Table C.2 on-balance sheet exposures.

C.3 Securitisation vehicles

(millions of euro)

SECURITISATION/ SPECIAL PURPOSE VEHICLE	REGISTERED OFFICE	CONSOLIDATION (a)	ASSETS (b)			LIABILITIES (b)		
			Loans	Debt securities	Other	Senior	Mezzanine	Junior
Brera Sec S.r.l. (c)	Conegliano Veneto (TV)	(d)	14,258	-	510	12,965	-	1,526
Clara Sec S.r.l. (c)	Conegliano Veneto (TV)	(d)	5,362	-	2,499	6,350	-	824
Giada Sec S.r.l. (c)	Conegliano Veneto (TV)	(d)	15,767	-	9,916	16,860	-	8,425
ISP CB Ipotecario S.r.l. (e)	Milan	(d)	34,479	-	7,595	-	38,170	-
ISP OBG S.r.l. (e)	Milan	(d)	40,258	-	5,491	-	45,434	-
UBI Finance S.r.l. (e)	Milan	(d)	3,596	-	569	-	4,151	-

(a) Consolidation method relating to the "prudential" scope applied in the Group's financial statements.

(b) The amounts shown under assets and liabilities refer to the total values reported in the financial statements of the special purpose vehicles.

(c) Self-securitisation vehicle described in paragraph 2 of the quantitative information in Section 4 - Liquidity Risk of these Notes to the financial statements.

(d) Vehicle consolidated using the equity method.

(e) Vehicle used for covered bond issues. For more information, see Section E.4. Covered bond transactions in Part E of these Notes to the financial statements.

The securitisations structured by Intesa Sanpaolo on its own assets include those named Towers, Savoy, Kerma, Yoda, Maior, Iseo, Sirio, Kerdos, Grogu, Portland, Organa, Andor, Teseo and Chewbecca, for which special purpose vehicles were used that are third-party and independent entities with respect to the Bank, and in which the Bank does not hold any investments. For that reason, these vehicles are not shown in the table above.
The vehicles Augusto S.r.l. and Diocleziano S.r.l. are also not shown in the table, because, as at 31 December 2025, the assets and liabilities relating to the connected securitisations had been extinguished and the vehicles were placed in liquidation in February 2026.

C.4 Unconsolidated securitisation vehicles

The information set out in this section is not provided by the banks that draw up consolidated financial statements pursuant to Bank of Italy Circular 262.

C.5 Servicer activities – originated securitisations: collection of securitised loans and repayment of securities issued by the securitisation vehicle

SPECIAL PURPOSE VEHICLE	SECURITISED ASSETS (end-of-period figure) (millions of euro)		COLLECTIONS OF LOANS IN THE YEAR (millions of euro)		PERCENTAGE OF REIMBURSED SECURITIES (period-end figure)					
					Senior		Mezzanine		Junior	
	Non-performing	Performing	Non-performing	Performing	Non-performing	Performing	Non-performing	Performing	Non-performing	Performing
Teseo SPV S.r.l. (a)	76	1,833	5	582	0%	48%	0%	0%	0%	64%
Total	**76**	**1,833**	**5**	**582**						

(a) Vehicle used for the traditional securitisation of performing lease receivables described in the 2022 Consolidated Financial Statements. In 2025, the securitisation was restructured by increasing the mezzanine tranches and decreasing the junior tranches.

D. INFORMATION ON STRUCTURED ENTITIES NOT CONSOLIDATED IN THE ACCOUNTS (OTHER THAN SECURITISATION VEHICLES)

The qualitative and quantitative information set out in this section is not provided by the banks that draw up consolidated financial statements pursuant to Bank of Italy Circular 262.

E. SALES

A. Financial assets sold not fully derecognised

Qualitative information

For a description of the operations shown in tables E.1, E.2 and E.3, reference is made to the information shown below the relevant tables.
For operations in debt securities against medium/long-term repurchase agreements, reference is made to the information in Part B of the Notes to the consolidated financial statements.

Quantitative information

E.1 Financial assets sold fully recognised and related financial liabilities: book values

(millions of euro)

	Financial assets sold fully recognised				Related financial liabilities		
	Book value	*of which: securitisations*	*of which: subject to sales contracts with repurchase clauses*	*of which: non-performing*	Book value	*of which: securitisations*	*of which: subject to sales contracts with repurchase clauses*
A. Financial assets held for trading	**3,659**	**-**	***3,659***	***X***	**3,624**	**-**	***3,624***
1. Debt securities	2,541	-	*2,541*	*X*	2,538	-	*2,538*
2. Equities	1,118	-	*1,118*	*X*	1,086	-	*1,086*
3. Loans	-	-	-	*X*	-	-	-
4. Derivatives	-	-	-	*X*	-	-	-
B. Other financial assets mandatorily measured at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Equities	-	-	-	*X*	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**26,368**	**-**	***26,368***	**-**	**26,043**	**-**	***26,043***
1. Debt securities	26,368	-	*26,368*	-	26,043	-	*26,043*
2. Equities	-	-	-	*X*	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets measured at amortised cost	**26,261**	**-**	***26,261***	**-**	**25,389**	**-**	***25,389***
1. Debt securities	26,261	-	*26,261*	-	25,389	-	*25,389*
2. Loans	-	-	-	-	-	-	-
TOTAL 31.12.2025	**56,288**	**-**	***56,288***	**-**	**55,056**	**-**	***55,056***
TOTAL 31.12.2024	**34,249**	**-**	***34,249***	**-**	**33,741**	**-**	***33,741***

The table above does not include covered bond transactions in which the Bank is both the originator and lender for the vehicle issuing the debt securities.

The aggregates of the sales contracts with repurchase clauses relate to repurchase agreements entered into the by Bank for assets sold and not derecognised. However, repurchase agreements relating to securities received under repurchase agreements are not included in the related financial liabilities.

E.2 Financial assets sold partly recognised and related financial liabilities: book values

These are not present in Intesa Sanpaolo.

E.3 Sales with liabilities having recourse exclusively on the assets sold and not fully derecognised: fair value

(millions of euro)

	Fully recognised	Partly recognised	31.12.2025	31.12.2024
A. Financial assets held for trading	**3,659**	**-**	**3,659**	**1,435**
1. Debt securities	2,541	-	2,541	247
2. Equities	1,118	-	1,118	1,188
3. Loans	-	-	-	-
4. Derivatives	-	-	-	-
B. Other financial assets mandatorily measured at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equities	-	-	-	-
3. Loans	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Loans	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**26,368**	**-**	**26,368**	**15,904**
1. Debt securities	26,368	-	26,368	15,904
2. Equities	-	-	-	-
3. Loans	-	-	-	-
E. Financial assets measured at amortised cost (fair value)	**25,759**	**-**	**25,759**	**15,779**
1. Debt securities	25,759	-	25,759	15,779
2. Loans	-	-	-	-
Total financial assets	**55,786**	**-**	**55,786**	**33,118**
Total related financial liabilities	**55,058**	**-**	**55,058**	**33,741**
Net value 31.12.2025	**728**	**-**	**728**	**X**
Net value 31.12.2024	**-623**	**-**	**X**	**-623**

The table above does not include covered bond transactions in which the Bank is both the originator and lender for the vehicle issuing the debt securities.

B. Financial assets sold fully derecognised with recognition of continuing involvement

These are not present in Intesa Sanpaolo.

C. Financial assets sold and fully derecognised

Qualitative information

The disclosure is provided below regarding the multioriginator sale transactions involving loan portfolios – classified as unlikely to pay in particular – attributable to the sale of loans to a mutual investment fund with the assignment of the units in the fund to the selling intermediaries.

Back2Bonis Fund

In implementation of the derisking envisaged in the 2018-2021 Business Plan and the subsequent 2022-2025 Business Plan, in the third quarter of 2020 the Intesa Sanpaolo Group begun the deconsolidation of a portfolio of credit exposures (including real estate assets and contracts) classified as unlikely to pay with real estate underlying held by the Bank, accompanied by their conversion into units of the securities fund called Back2Bonis. The transaction, the closing of which took place at the end of 2020, took the form for the Bank (including the transactions undertaken in 2019 and 2020 by UBI Banca, merged in 2021) of the sale of a portfolio of loans, short-term legal relationships and legal relationships and assets from lease receivables for a total gross amount of 351 million euro and net exposure of 164 million euro, accompanied by the subscription of the units of the Back2Bonis fund for an amount of 164 million euro, substantially in line with the net value of the loans and receivables sold. The transaction was completed through: (i) the sale to the securitisation vehicle Ampre S.r.l. of the bank receivables and the lease receivables; (ii) the sale to Ampre LeaseCo S.r.l. of the legal relationships and assets arising from the leases; (iii) the sale of the short-term revolving contracts and the related legal relationships and receivables of Intesa Sanpaolo, together with the

medium/long-term contracts with residual disbursements and the related legal relationships, other than the lease relationships and assets through the fronting bank provided by Banca Finanziaria Internazionale S.p.A.; (iv) the subscription by the Back2Bonis Fund of all the securities issued by the securitisation vehicle; and (v) the acquisition by Intesa Sanpaolo of the units of the Fund in exchange for the loans and receivables sold. In 2022, additional loans were sold, for a gross amount of 1 billion euro and net exposure of 216 million euro, accompanied by the subscription of units of the Back2Bonis fund, for an amount of 216 million euro, with the sale price offset against the subscription price of the Fund's units, without significant effects on the income statement for 2022.
The Back2Bonis fund, established in the form of a closed-end mutual fund whose units can only be subscribed by professional investors, is a multi-originator platform for the management of Real Estate Small & Medium Size loans classified as UTP, deriving from loans and credit lines granted to companies operating in the real estate sector or to real estate funds (including those not fully disbursed/drawn down at the time of sale). Following the completion of the transfer of the loans and receivables to the platform, Intesa Sanpaolo had deconsolidated the loans and receivables and recognised the Fund's units in place of those loans and receivables. The breakdown of the assigned debtors by economic sector was mainly concentrated in the following sectors:
– "Production companies" at 79.9%;
– "Construction companies" at 12.9%;
– "Real estate business" at 3.5%;
– "Financial and insurance business" at 2.6%;
– and a residual amount in other business sectors (Services, Transport and Manufacturing Activities).
The assets of the assigned debtors were broken down as follows by geographical area:
– 92.2% North-West;
– 3.5% North-East;
– 3.2% South and Islands;
– 1.1% Centre.
In 2025, the Fund made a distribution of 55 million euro. Intesa Sanpaolo's *pro rata* share was 23 million euro. At 31 December 2025, the Bank held a 42.47% stake (with voting rights limited to 35%) in the Back2Bonis Fund, classified among investments subject to significant influence, for a book value of 224 million euro. The measurement of the Back2Bonis Fund yielded an overall negative effect for the year of 97 million euro.

FI.NAV. SUB-FUND A - LOANS Fund
In pursuit of the de-risking activities provided for in the 2018-2021 Business Plan and the subsequent 2022-2025 Business Plan, in the fourth quarter of 2018 the Intesa Sanpaolo Group had launched the contribution to the FI.NAV. fund (a closed-end Italian securities umbrella fund) of a portfolio of non-performing secured and unsecured loans attributable to the shipping sector. The Fund, reserved for institutional investors, is managed by the asset management company IQ EQ Fund Management (Ireland) Limited, not a member of the Intesa Sanpaolo Group, based in Ireland, and is divided into two autonomous sub-funds: FI.NAV. Sub-Fund A – Loans, dedicated to including the loans contributed by the Intesa Sanpaolo Group and Unicredit, and FI.NAV. Sub-Fund B - New Finance, dedicated to including the capital of third-party investors to relaunch the repossessed ships. The transaction, formulated in 2018, was closed in 2019 through a sale of receivables without recourse for total gross consideration of 155 million euro and a net exposure of 102 million euro, equal to the sale price, set off against the price of subscription of the Fund units and, therefore, without any effects on the income statement for 2019. In 2020, a further tranche was sold without recourse for a gross amount of 37 million euro and a net value of 34 million euro, in line with the sale price and, therefore, with no impact on the income statement for 2020. Pursuant to IFRS 9, for the Intesa Sanpaolo Group the transaction entailed the derecognition of the loans sold since the Fund has become solely responsible for managing them following the sale; the Intesa Sanpaolo Group had therefore derecognised the loans concerned, while recognising the corresponding fair value of the units of the Fund assigned. The Group companies involved in the transaction were the Parent Company Intesa Sanpaolo and some of its subsidiaries merged in 2019 and 2020 (Cassa di Risparmio in Bologna and Mediocredito, both merged in 2019, and Banca IMI, merged in 2020). In 2022 the sale of a loan portfolio was finalised for a gross amount of 74 million euro and net exposure of 37 million euro, accompanied by the subscription of the units of the Fund for an amount essentially in line with the value of the exposure sold, without significant effects on the income statement for 2022. The economic sector of the assigned debtors was mainly concentrated in Transport. The transferred financial assets are primarily in the South and Islands area.
In 2025, two distributions were made by the Fund for an overall total of 98 million euro and Intesa Sanpaolo's pro rata share was 49 million euro. This resulted in the reduction to zero of the Fund's balance with the recognition of a gain of 2 million euro for the amount exceeding the carrying amount.
As at 31 December 2025, the Bank held a 50.54% stake in the FI.NAV. fund, classified among investments subject to significant influence[414], for a book value of zero.

RSCT Fund – Loans Sub-Fund
As part of the derisking envisaged in the 2018-2021 Business Plan and the subsequent 2022-2025 Business Plan, the Intesa Sanpaolo Group had identified the opportunity to transfer assets (loans and securities) relating to non-performing positions to the closed-end RSCT Fund, in exchange for units of the Fund. The project was managed by Pillarstone, which had selected a portfolio of industrial and commercial companies with the objective of helping each of them to identify a strategy for maximising the potential for debt recovery, also through injections of new finance. The transaction took place in May 2020 with the transfer of a portfolio of loans with 18 companies originated by the Group (Intesa Sanpaolo and Banca IMI, subsequently merged into Intesa Sanpaolo on 20 July 2020), Unicredit, BPER Banca and Crédit Agricole to the newly established closed-end alternative investment RSCT Fund, managed by IQ EQ Fund Management (Ireland) Limited, an alternative fund manager authorised by the Central Bank of Ireland. The RSCT Fund is made up of two separate sub-funds: sub-fund A for the management of loans

[414] The interest is included under Companies subject to significant influence because, even though it represents a more complex situation than that typical of an ordinary non-controlling interest, the absence has been confirmed of the conditions for exercise of control envisaged by IFRS 10 on the basis of the corporate governance provisions in the articles of association/regulations.

acquired from the selling banks and sub-fund B for the management of the new finance. The May 2020 sale involved a portfolio of loans, Sirti notes and PS Reti equity instruments for a gross amount of 339 million euro (Intesa Sanpaolo and Banca IMI) at a net value of 255 million euro, substantially in line with the sale price. In July 2020, a further sale was completed of a loan position for a gross amount of 6.3 million euro at a value of 4.5 million euro, with the sale price offset against the subscription price of the Fund's units. In February 2021, a sale was completed of a loan position for a gross amount of 21.3 million euro at a value of 13.9 million euro, with the sale price offset against the subscription price of the Fund's units. In March 2021, a sale was completed of a loan position deriving from the absorption of UBI Banca for a gross amount of 3.1 million euro and a net exposure of 1.2 million euro, with the concurrent subscription of units of the RSCT Fund for 1.3 million euro, essentially aligned with the net value of the transferred loans. In June 2021, a further sale was completed of a loan position for a gross amount of 0.4 million euro at a value of 0.1 million euro, with the sale price offset against the subscription price of the Fund's units. By economic sector, the assigned debtors are 72% concentrated in "Companies that install electrical equipment", 18% in "Amusement and theme parks" and 10% in "Retail sale of footwear and accessories".
In 2024, a distribution was made by the Fund for a total of 10 million euro with a *pro rata* share in favour of Intesa Sanpaolo of 7 million euro.
The transferred financial assets are primarily in the North-west area.
In 2025, two distributions by the Fund were made for 17 million euro. Intesa Sanpaolo's *pro rata* share was 12 million euro. As at 31 December 2025, the Bank held a 70.07%[415] stake in the RSCT fund, classified among investments subject to significant influence, for a book value of 224 million euro. The measurement of the RSCT Fund yielded an overall negative effect for the year of 21 million euro.

IDEA CCR Corporate Credit Recovery II Fund - Loans Sub-fund

In 2018, the Intesa Sanpaolo Group (specifically Intesa Sanpaolo and the banks subsequently merged into Intesa Sanpaolo: Cassa di Risparmio del Veneto, Cassa di Risparmio di Firenze, Cassa di Risparmio del Friuli-Venezia Giulia, Cassa di Risparmio in Bologna, and Mediocredito) participated in the closed-end Italian fund IDEA CCR Corporate Credit Recovery II - Loans Sub-Fund, managed by Dea Capital Alternative Funds S.G.R. S.p.A. and dedicated to the recovery of mid-size Italian companies in situations of financial tension but with solid industrial fundamentals. The transaction, which was completed in 2018, was undertaken by contributing non-performing loans with a nominal value of 59 million euro and a net exposure to the sale price of 39.2 million euro, with the price of sale offset against the subscription price, of equal amount, of the units of the IDEA CCR Corporate Credit Recovery II fund - Loans Sub-Fund. In 2021, the Bank's investment in the IDEA CCR fund increased further, due to the merger of UBI Banca, which had sold loan positions to the IDEA CCR Corporate Credit Recovery II fund, Loans Sub-fund, managed by Dea Capital Alternative Funds SGR, in 2020, 2019, 2018 and 2017 for a total gross amount of 231 million euro and a net exposure of 144 million euro, with concurrent subscription of the units of the IDEA CCR fund for an amount of 148 million euro, with the price of sale offset against the price of subscription of the fund units.
In 2022, the investment of the Bank in the IDEA CCR fund changed due to: i) the inclusion of the stake held by UBI Leasing S.p.A., merged into Intesa Sanpaolo in May 2022, which had sold loan positions to the IDEA CCR Corporate Credit Recovery II fund - Loans Sub-Fund in 2019 for a total gross amount of 5 million euro and a net exposure of 3 million euro, with the sale price offset against the subscription price, in the same amount, of the fund units, and ii) the sale of A1 units held by Intesa Sanpaolo in the fund to Banca Nazionale del Lavoro S.p.A. The receivable held by Intesa Sanpaolo in relation to the sale was settled by offsetting with the purchase of units of Back2Bonis. In 2024, Intesa Sanpaolo transferred a loan portfolio for a total gross amount of 232 million euro, with payment of the price through the subscription of Fund units recognised at an initial recognition amount of 201 million euro, with no significant impact on the 2024 income statement.
The breakdown of the assigned debtors by economic sector was mainly concentrated in the following sectors:
– "Production Companies" at 70.7%;
– "Other collective investments undertakings" at 10.3%;
– "Non-financial companies of non-EU countries" at 10.1%;
– and, to a residual extent, other business sectors.

The assets of the assigned debtors were broken down as follows by geographical area:
– 33.3% Centre;
– 19.3% North-East;
– 18.1% South and Islands;
– 16.7% North-West;
– 12.6% Outside Italy.

Following this transaction, Intesa Sanpaolo increased its holding in the fund and reclassified the interest from financial assets mandatorily measured at fair value to interests subject to significant influence. In 2025, the Fund made a distribution of 33 million euro. Intesa Sanpaolo's *pro rata* share was 11 million euro. As at 31 December 2025, the Bank held a 33.47% stake in the IDEA CCR Corporate Credit Recovery II fund, Loans Sub-Fund, classified among interests subject to significant influence, for a book value of 201 million euro. The measurement of the IDEA CCR Corporate Credit Recovery II fund - Loans Sub-Fund yielded a negative effect of 15 million euro during the year.

UTP Italia Fund – Loans Sub-Fund

The UTP Italia fund is an alternative closed-end Italian securities umbrella fund (AIF) in charge of managing loans classified as unlikely-to-pay (UTP) and whose target is credit exposures to small and medium-sized enterprises and individuals. In November 2022, the Bank finalised the sale of a loan portfolio (mainly UTP) to the UTP Italia fund managed by Sagitta S.G.R., with Intrum Italy S.p.A. as special servicer. Specifically, the transaction entailed: i) the sale of loans owed to the Bank for a gross amount at the cut-off date of 42 million euro and net exposure of 25 million euro, to Finn SPV S.r.l. (SPV 130), without significant effects on the income statement for 2022; ii) the recognition of the receivable of 25 million euro from the SPV 130; iii) the contribution to the UTP Italia fund of the receivable from the SPV 130 in exchange for units of the fund by way of price; and iv) issue of

[415] The interest is included under Companies subject to significant influence because, even though it represents a more complex situation than that typical of an ordinary non-controlling interest, the absence has been confirmed of the conditions for exercise of control envisaged by IFRS 10 on the basis of the corporate governance provisions in the articles of association/regulations.

Asset-Backed Securities (ABS) by the vehicle, subscribed by the Fund, derecognising the receivable from the SPV 130. Effective 20 March 2023, Intesa Sanpaolo finalised the sale of a loan portfolio with gross exposure of 366 million euro and net exposure of 147 million euro to the securitisation vehicle Finn SPV S.r.l., with the sale price netting the subscription price of the Fund units. Following this transaction, Intesa Sanpaolo had increased its holding in the fund and had reclassified the interest from financial assets mandatorily measured at fair value to interests subject to significant influence.
In 2024, Intesa Sanpaolo transferred a loan portfolio for a total gross amount of 180 million euro, with payment of the price through the subscription of fund units recognised at an amount of 82 million euro, with no significant impact on the 2024 income statement.
The breakdown of the assigned debtors by economic sector was mainly concentrated in the following sectors:
– "Consumer Households" at 67.2%;
– "Production Companies" at 12.7%;
– and, to a residual extent, other business sectors.

The assets of the assigned debtors were broken down as follows by geographical area:
– 34.8% South and Islands;
– 29.4% North-West;
– 21.7% Centre;
– 14.1% North-East.

Two distributions were made during the year for an overall total of 65 million euro. Intesa Sanpaolo's share was 34 million euro. As at 31 December 2025, the Bank held a 41.87% stake (with voting rights limited to 35%) in the UTP Italia fund for a book value of approximately 185 million euro. The measurement of the UTP Italia fund yielded a negative effect for the year of 11 million euro.

Efesto

Efesto is an alternative closed-end Italian securities fund (AIF). In July 2022, the sale of loans was finalised for a gross amount of 17 million euro and net exposure of 9 million euro, accompanied by the subscription of the units of the Fund for an amount of 7 million euro, without significant effects on the income statement for 2022.
Effective 20 March 2023, Intesa Sanpaolo finalised the sale of a loan portfolio with gross exposure of 320 million euro and net exposure of 181 million euro to the securitisation vehicle Esino SPV S.r.l., with the sale price netting the price of subscription of the Fund units. Following this transaction, Intesa Sanpaolo had increased its holding in the Fund and had reclassified the interest from financial assets mandatorily measured at fair value to interests subject to significant influence.
In 2024, Intesa Sanpaolo transferred a loan portfolio for a total gross amount of 223 million euro, with payment of the price through the subscription of Fund units recognised at an amount of 194 million euro, with no significant impact on the 2024 income statement.
The breakdown of the assigned debtors by economic sector was mainly concentrated in the following sectors:
– "Consumer Households" at 51.9%;
– "Production Companies" at 38.4%;
– and, to a residual extent, other business sectors.

The assets of the assigned debtors were broken down as follows by geographical area:
– 31.7% North-West;
– 30.5% South and Islands;
– 27.8% Centre;
– 10% North-East.

In 2025, four distributions by the Fund were made for 187 million euro. Intesa Sanpaolo's *pro rata* share was 74 million euro. As at 31 December 2025, the Bank held a 38.60% stake in the Efesto fund for a book value of 237 million euro. The measurement of the Efesto Fund yielded an overall negative effect for the year of 25 million euro.

Lendlease MSG Heartbeat

In 2022, a complex operation regarding the Risanamento Group was launched, as part of the "Starfighter Project", to: i) develop the real estate project in the Milano Santa Giulia area; ii) enable the company to cover the commitments assumed with public and private parties, and iii) deconsolidate the on-balance sheet exposure due to the banks involved from Risanamento.
The Board of Directors of Intesa Sanpaolo approved the transaction on 2 February 2023, which was completed on 30 June 2023 following the fulfilment of the conditions precedent attached to the Term Sheet General Framework Agreement. The complex transaction aimed at the financial and corporate restructuring of the Risanamento Group included:
– the establishment of a closed-end Alternative Real Estate Investment Fund;
– the commitment by Intesa Sanpaolo and the other banks involved, and by the other stakeholders involved in the transaction, to subscribe to the units of the Fund;
– the deconsolidation of Intesa Sanpaolo's credit exposure and shareholders' loan with the Risanamento Group through the discharge by the Fund and simultaneous offsetting of the related loans, due to Intesa Sanpaolo and the other banks, with the commitments made by the banks towards the Fund against the subscription of units;
– the disbursement of new performing loans to the Fund;
– the maintenance of Risanamento's business operations.

The economic sector of the assigned debtors was mainly concentrated in "Non-financial companies". The transferred financial assets are primarily in the North-West area.
The Bank's credit exposure to the Risanamento Group was offset against the latter's commitments made in exchange for the subscription of class A1 and B2 units of the Lendlease MSG Heartbeat fund. Therefore, at the closing completed on 30 June 2023, Intesa Sanpaolo derecognised the loans due from Risanamento, including the shareholders' loan, recognising respectively the B2 and A1 units of the Fund received at fair value, at a value substantially aligned with the net value of the loans sold.
As at 31 December 2025, the Bank held a 52.75% stake (with voting rights limited to 40%) in the Lendlease MSG Heartbeat Fund, classified among investments subject to significant influence, for a book value of 45 million euro. The measurement of the Lendlease MSG Heartbeat Fund yielded a negative effect for the year of 87 million euro.

Retail & Leisure Fund

As part of the de-risking, in 2024 Intesa Sanpaolo sold a loan portfolio for a total gross amount of 164 million euro with underlying real estate assets, owed by seven counterparties operating in the mall & hospitality sector with unsatisfactory performance, lack of available equity to support the relaunch plan, and consequent situation of substantial stalemate and difficulty in formulating sustainable financial measures. The "Retail & Leisure" fund is an Alternative Investment Fund, focused on acquiring and managing high-risk and non-performing credit exposures, primarily backed by real estate, and owed by companies in temporary financial distress operating in the mall & hospitality segments (shopping centres). The fund is managed by IQ-EQ Fund Management with the support of the advisor Pillarstone, which is tasked managing the positions and the underlying assets. Upon the initial subscription, in exchange for the sale, Intesa Sanpaolo received shares representing 68% of the Fund, which, based on the economic and governance rights, were classified under interests subject to significant influence for a total of 126 million euro. In the first half of 2025, Intesa Sanpaolo transferred short-term credit facilities for a total gross amount of 12 million euro, with payment of the price through the subscription of fund units recognised at an amount of 9 million euro, with no significant impact on the 2025 income statement.
The breakdown of the assigned debtors by economic sector was mainly concentrated in the following sectors:
– "Production Companies" at 51%;
– "Other collective investments undertakings" at 44%;
– and, to a residual extent, other business sectors.
The assets of the assigned debtors were broken down as follows by geographical area:
– 67% North-West;
– 33% Centre.
In 2025, the Fund made a distribution of 2 million euro. Intesa Sanpaolo's *pro rata* share was 1 million euro. As at 31 December 2025, the Bank held a 56.52%[416] stake in the Retail & Leisure fund, classified among investments subject to significant influence, for a book value of 122 million euro. The measurement of the Retail & Leisure fund yielded a negative effect for the year of 10 million euro.

UTP Restructuring Corporate

As part of the de-risking, in 2024, Intesa Sanpaolo sold a loan portfolio for a total gross amount of 160 million euro to the newly established fund managed by Arrow (UTP Restructuring Corporate), with payment of the price through the subscription of Fund units recognised at an amount of 137 million euro, with no significant impact on the 2024 income statement. The fund is an alternative closed-end Italian securities fund (AIF), reserved for professional investors. The purpose of the Fund is to carry out professional management aimed at maximising the value of the assets forming part of the Fund's portfolio. This involves actively participating in turnaround procedures and/or restructuring agreements and/or debtor balance plans; managing and exercising of rights related to equity investments and holding other financial instruments issued by the debtors, also through M&A or refinancing transactions; repossessions; and credit collection.
The breakdown of the assigned debtors by economic sector was concentrated in the following sector:
– "Production Companies" at 100%;
The assets of the assigned debtors were broken down as follows by geographical area:
– 55% North-East;
– 45% North-West.
As at 31 December 2025, the Bank held a 53.08% stake (with voting rights limited to 35%) in the UTP Restructuring Corporate Fund, classified among investments subject to significant influence, for a book value of 64 million euro. The measurement of the UTP Restructuring Corporate Fund yielded a negative effect for the year of 72 million euro.

Eleuteria Fund

As part of the de-risking initiatives, in 2025, Intesa Sanpaolo sold a portfolio of Corporate/SME loans – through a securitisation vehicle established in accordance with Law 130/1999 – with a total gross amount of 131 million euro for a price of 98 million euro, resulting in a negative impact of 10 million euro for the year. The consideration for the sale price was paid through the subscription of units in the Eleuteria fund. The Eleuteria fund is an Alternative Investment Fund (AIF) operating since 2021, specialised in the management of small and medium-sized loans granted to companies with different risk profiles. Upon the initial subscription, in exchange for the sale, Intesa Sanpaolo received shares representing 36% of the Fund, which, based on the economic and governance rights, were classified under interests subject to significant influence for a total of 88 million euro.
The breakdown of the assigned debtors by economic sector was mainly concentrated in the following sectors:
– "Production companies" at 88%;
– "Family businesses and consumer households" at 4%;
– and, to a residual extent, other business sectors.
The assets of the assigned debtors were broken down as follows by geographical area:
– 49% Centre;
– 24% North-West;
– 18% South and islands;
– 9% North-East.
As at 31 December 2025, the Bank held a 32.28% stake in the Eleuteria fund (with voting rights limited to 30%) classified among investments subject to significant influence, for a book value of 83 million euro. The measurement of the Eleuteria Fund yielded a negative effect for the year of 5 million euro.

Clessidra Restructuring Fund

Clessidra Restructuring Fund (CRF fund) is an alternative closed-end investment fund reserved for institutional investors, dedicated to investing in loans classified as unlikely to pay to previously identified industrial companies. In September 2019,

[416] The interest is included under Companies subject to significant influence because, even though it represents a more complex situation than that typical of an ordinary non-controlling interest, the absence has been confirmed of the conditions for exercise of control envisaged by IFRS 10 on the basis of the corporate governance provisions in the articles of association/regulations.

UBI Banca, which during 2021 was merged into Intesa Sanpaolo, had sold loans to five borrowers with a total gross amount of 17 million euro and a net exposure of 11 million euro, with concurrent subscription of the units of the CRF fund for an amount essentially in line with the net value of the transferred loans. The economic sector of the assigned debtors was mainly concentrated in "Manufacture of wooden doors and manufacture of furniture". The transferred financial assets are primarily in the North-West area.
As at 31 December 2025, the Bank held a 4.34% stake in the CRF fund, classified among Financial assets mandatorily measured at fair value, for a book value of 6 million euro. The measurement of the Clessidra Restructuring fund yielded an immaterial negative effect during the year.

IDEA CCR Corporate Credit Recovery II Fund - Shipping Sub-fund
The Shipping Loans Sub-Fund refers to single-name, unlikely-to-pay non-performing loans with a sector focus on shipping companies. The Fund consists of three sub-funds: loans, new finance and shipping. Following the incorporation of UBI Banca in 2021, Intesa Sanpaolo also has a holding in the Shipping Sub-Fund against the sale of UBI loans with a total gross amount of 45 million euro and a net exposure of 31 million euro. As at 31 December 2025, the Bank held a 20.37% stake in the IDEA CCR II fund - Shipping Sub-Fund, classified among Financial assets mandatorily measured at fair value, with an immaterial book value.

Other information
For completeness, it should be noted that in 2023 Intesa Sanpaolo completed a transaction for the sale of performing on-balance sheet exposures (amounting to around 800 million euro in terms of Gross Book Value) to the Italian Commercial Real Estate sector, with a substantially neutral effect on the income statement. In summary, the transaction involved i) the transfer of part of the credit exposure to two real estate funds, in exchange for units of the transferee funds, and ii) the conversion of the remaining exposure into newly issued Equity Instruments. Lastly, in 2024 Intesa Sanpaolo completed a transaction for the sale of performing on-balance sheet exposures (amounting to around 80 million euro in terms of Gross Book Value) and Equity Instruments, with a substantially neutral effect on the income statement, by means of transfer of the Instruments to a real estate fund in exchange for units of that fund.

E.4 Covered bond transactions

Covered bond transactions where the selling bank and the lending bank are the same must be reported under this section.
Intesa Sanpaolo uses covered bonds mainly as a type of funding through securities guaranteed by assets originated by Intesa Sanpaolo or by other companies of the Group.
Intesa Sanpaolo has three programmes for the issuance of Covered Bonds, following the extinction of the first programme, for which the guarantor of the covered bonds was the vehicle ISP CB Pubblico, initiated in 2009 and closed in 2024.

In the second Programme, launched in 2010, amounting to a maximum of 35 billion euro (the original maximum amount was 20 billion euro), the guarantor of the covered bonds is the vehicle ISP CB Ipotecario, to which Italian residential mortgage loans and, initially bonds issued by Adriano Finance S.r.l., originated by Intesa Sanpaolo, were transferred.
The Bank gradually sold the vehicle mortgage loans with an original total nominal value of 65 billion euro (net of retrocessions).
In 2025, the following transactions were completed:
– in February, sale for an amount of 4.8 billion euro;
– in May, sales for an amount of 3.4 billion euro.

As at 31 December 2025, the loans sold to the vehicle had a book value of 34.5 billion euro.
Over time, against the sale of assets to the vehicle, Intesa Sanpaolo has carried out issues of Covered Bonds for a total nominal value of 54.6 billion euro (of which a total of 28.3 billion euro subject to early redemption or matured at 31 December 2025).
As at 31 December 2024, a total nominal amount of 23 billion euro of issues made as part of the covered bond programme of the vehicle ISP CB Ipotecario was outstanding, of which 7.9 billion euro placed with third party investors and 15.1 billion euro subscribed by Intesa Sanpaolo. Part of the latter was used in repurchase agreements for an amount of 12.9 billion euro.
In 2025, the 14th series matured in January for an amount of 1 billion euro, the 24th series matured in July for an amount of 1 billion euro, and the 18th series matured in December for an amount of 1.25 billion euro. In addition, five issuances of Covered Bonds were made for a total amount of 6.6 billion euro:
– two retained series were issued in January:
  - the 39th for 1.5 billion euro, with a floating rate and a 6-year maturity;
  - the 40th for 1.5 billion euro, with a floating rate and an 11-year maturity.
– two retained series were issued in May:
  - the 41st for 1.6 billion euro, with a floating rate and a 7-year maturity;
  - the 42nd for 1.5 billion euro, with a floating rate and a 9-year maturity.
– a private placement was issued in December:
  - 43rd series for 500 million euro, with a floating rate and a 6-year maturity.

Accordingly, as at 31 December 2025, a total nominal amount of 26.3 billion euro of issues made as part of the covered bond programme of the vehicle ISP CB Ipotecario was outstanding, of which 5.2 billion euro placed with third party investors and 21.1 billion euro subscribed by Intesa Sanpaolo. Part of the latter is being used in repurchase agreements for an amount of 14 billion euro.
All the securities issued under the programme are listed on the Luxembourg Stock Exchange and have a Moody's Aa2 rating.

The third multi-originator Covered Bond issuance Programme, launched in 2012, has the vehicle ISP OBG as the guarantor of its securities. This programme is secured by mortgage loans for a maximum amount of 55 billion euro (the original maximum amount was 30 billion euro) and is aimed at realising the retained issues.
The portfolio used to collateralise the issues of Covered Bonds is composed of mortgages originated by Intesa Sanpaolo, Banco di Napoli, Cassa di Risparmio del Veneto, Cassa di Risparmio in Bologna and Banca CR Firenze (merged by incorporation into Intesa Sanpaolo between July 2018 and February 2019).

Over time, the Bank has sold mortgages to the vehicle for an original total nominal value of 95.4 billion euro (net of retrocessions).
In 2025, Intesa Sanpaolo completed the following transactions:
– in February, buyback of non-performing loans for 44 million euro;
– in June, sale for an amount of 6.2 billion euro.
As at 31 December 2025, the loans sold to the vehicle by Intesa Sanpaolo had a book value of 40.3 billion euro.
Over time, against the sale of assets to the vehicle, Intesa Sanpaolo has carried out issues of Covered Bonds for a total nominal value of around 92.3 billion euro (of which a total of 56.2 billion euro subject to early redemption or matured at 31 December 2025).
As at 31 December 2024, there were issuances made under the programme guaranteed by the vehicle ISP OBG for a total nominal amount of 37.15 billion euro, fully subscribed by Intesa Sanpaolo, a part of which was subsequently used in repurchase agreements for an amount of 5.8 billion euro.
In 2025, the 25th retained series matured in February for the remaining amount of 500 million euro.
In March, the following retained series were redeemed early:
– 22nd, for the total amount of 1.75 billion euro;
– 33rd, for the amount of 185 million euro (with a consequent remaining amount of 1.465 billion euro);
– 36th, for the amount of 1.3 billion euro (with a consequent remaining amount of 500 million euro);
– 37th, for the amount of 250 million euro (with a consequent remaining amount of 1 billion euro);
– 38th, for the amount of 250 million euro (with a consequent remaining amount of 1.5 billion euro).
In December, three additional retained series were redeemed early:
– 23rd, for the total amount of 1.375 billion euro;
– 41st, for the amount of 1 billion euro (with a consequent remaining amount of 1 billion euro);
– 42nd, for the amount of 625 million euro (with a consequent remaining amount of 1.075 billion euro).
In addition, two issuances of retained covered bonds were made for a total amount of 6 billion euro:
– in March, the 48th series for 3 billion euro, with a fixed rate and an 8-year maturity;
– in December, the 49th series for 3 billion euro, with a fixed rate and a 13-year maturity.
Therefore, as at 31 December 2025, there were issuances made under the programme guaranteed by the vehicle ISP OBG for a total nominal amount of 35.9 billion euro, fully subscribed by Intesa Sanpaolo, part of which is being used in repurchase agreements for an amount of 5.3 billion euro.
All the securities issued as part of the programme are listed on the Luxembourg Stock Exchange and have a Morningstar DBRS AA (Low) rating.

The fourth programme was launched by the former UBI Banca Group in 2008.
UBI Banca, merged into Intesa Sanpaolo S.p.A. during 2021, included two covered bond programmes, run by two special purpose vehicles named UBI Finance S.r.l. and UBI Finance CB2 S.r.l., respectively. The latter was closed in January 2021.
The programme still provides Intesa Sanpaolo with the right to issue securities, targeted to institutional investors, for a maximum amount of 15 billion euro. The Programme includes residential mortgage loans assigned by the former UBI Group's network banks. These banks participated in the programme as Originator Banks and Lending Banks.
In 2025, Intesa Sanpaolo did not sell any mortgage loans to the vehicle, while loans were repurchased in February for a total value of 2.4 billion euro.
As at 31 December 2025, the loans sold to the vehicle had a book value of 3.6 billion euro.
As at 31 December 2024 a total nominal amount of 4.7 billion euro of issues made as part of the covered bond programme of the vehicle UBI Finance was outstanding, of which 4.5 billion euro placed with third party investors and 0.2 billion euro retained.
In 2025, the 17th series matured in February for an amount of 1 billion euro and the 31st series matured in September for an amount of 500 million euro. In July, the 28th series was redeemed early, for a residual amount of 200 million euro.
As at 31 December 2025 a total nominal amount of 3 billion euro of issues made as part of the covered bond programme of the vehicle UBI Finance was outstanding, all of which was placed with third party investors.
As at 31 December 2025, the bonds under the programme were assigned an Aa2 rating from Moody's and AAA from Morningstar DBRS.

(millions of euro)

VEHICLE	NAME	TYPE OF UNDERLYING ASSET	ISSUE	MATURITY	RATING	VEHICLE DATA		SUBORDINATED FINANCING (1)	COVERED BOND ISSUED			
						Total assets	Cumulated write-downs to the securitised portfolio	amount	nominal amount (2)	book value (2)	IAS classification	Valuation
ISP CB IPOTECARIO						42,074	43	38,170	19,179	18,044		
	Intesa Sanpaolo 11/26 5,25%	Residential mortgage loans	17/02/2011	17/02/2026	Moody's Aa2				100	105	Securities outstanding	Am. Cost
	Intesa Sanpaolo 11/31 5,375%	Residential mortgage loans	17/02/2011	17/02/2031	Moody's Aa2				300	328	Securities outstanding	Am. Cost
	Intesa Sanpaolo 11/27 5,25%	Residential mortgage loans	16/09/2011	16/09/2027	Moody's Aa2				210	215	Securities outstanding	Am. Cost
	Intesa Sanpaolo 14/26 3,25%	Residential mortgage loans	10/02/2014	10/02/2026	Moody's Aa2				1,250	1,287	Securities outstanding	Am. Cost
	Intesa Sanpaolo 17/27 1,125%	Residential mortgage loans	16/06/2017	16/06/2027	Moody's Aa2				1,000	974	Securities outstanding	Am. Cost
	Intesa Sanpaolo 04/30 FRN	Residential mortgage loans	16/02/2018	12/04/2030	Moody's Aa2				1,871	1,669	Securities outstanding	Am. Cost
	Intesa Sanpaolo 10/31 FRN	Residential mortgage loans	27/01/2020	12/10/2031	Moody's Aa2				750	663	Securities outstanding	Am. Cost
	Intesa Sanpaolo 04/29 FRN	Residential mortgage loans	03/02/2022	12/04/2029	Moody's Aa2				1,000	894	Securities outstanding	Am. Cost
	Intesa Sanpaolo 06/28 3,625%	Residential mortgage loans	30/06/2023	30/06/2028	Moody's Aa2				1,250	1,296	Securities outstanding	Am. Cost
	Intesa Sanpaolo 12/43 3,943%	Residential mortgage loans	15/12/2023	15/12/2043	Moody's Aa2				50	50	Securities outstanding	Am. Cost
	Intesa Sanpaolo 07/26 FRN	Residential mortgage loans	12/10/2023	12/07/2026	Moody's Aa2				1,043	1,014	Securities outstanding	Am. Cost
	Intesa Sanpaolo 01/28 FRN	Residential mortgage loans	12/10/2023	12/01/2028	Moody's Aa2				1,841	1,629	Securities outstanding	Am. Cost
	Intesa Sanpaolo 10/32 FRN	Residential mortgage loans	12/10/2023	12/10/2032	Moody's Aa2				1,745	1,548	Securities outstanding	Am. Cost
	Intesa Sanpaolo 04/30 FRN	Residential mortgage loans	04/06/2024	12/04/2030	Moody's Aa2				500	503	Securities outstanding	Am. Cost
	Intesa Sanpaolo 10/29 FRN	Residential mortgage loans	27/03/2024	12/10/2029	Moody's Aa2				902	851	Securities outstanding	Am. Cost
	Intesa Sanpaolo 10/28 FRN	Residential mortgage loans	22/05/2024	12/10/2028	Moody's Aa2				1,103	1,006	Securities outstanding	Am. Cost
	Intesa Sanpaolo 07/33 FRN	Residential mortgage loans	22/05/2024	12/07/2033	Moody's Aa2				1,552	1,468	Securities outstanding	Am. Cost
	Intesa Sanpaolo 01/35 FRN	Residential mortgage loans	22/05/2024	12/01/2035	Moody's Aa2				1,041	941	Securities outstanding	Am. Cost
	Intesa Sanpaolo 10/31 FRN	Residential mortgage loans	23/01/2025	12/10/2031	Moody's Aa2				696	653	Securities outstanding	Am. Cost
	Intesa Sanpaolo 04/32 FRN	Residential mortgage loans	22/05/2025	12/04/2032	Moody's Aa2				475	449	Securities outstanding	Am. Cost
	Intesa Sanpaolo 01/32 FRN	Residential mortgage loans	02/12/2025	12/01/2032	Moody's Aa2				500	501	Securities outstanding	Am. Cost

(millions of euro)

VEHICLE	NAME	TYPE OF UNDERLYING ASSET	ISSUE	MATURITY	RATING	VEHICLE DATA		SUBORDINATED FINANCING (1)	COVERED BOND ISSUED			
						Total assets	Cumulated write-downs to the securitised portfolio	amount	nominal amount (2)	book value (2)	IAS classification	Valuation
ISP OBG						45,749	103	45,434	5,349	5,000		
	Intesa Sanpaolo 08/27 FRN	Residential mortgage loans	17/02/2017	20/08/2027	Morningstar DBRS AA (Low)				641	583	Securities outstanding	Am. Cost
	Intesa Sanpaolo 08/28 FRN	Residential mortgage loans	09/03/2018	20/08/2028	Morningstar DBRS AA (Low)				150	129	Securities outstanding	Am. Cost
	Intesa Sanpaolo 05/30 FRN	Residential mortgage loans	21/09/2018	20/05/2030	Morningstar DBRS AA (Low)				295	284	Securities outstanding	Am. Cost
	Intesa Sanpaolo 08/29 FRN	Residential mortgage loans	21/09/2018	20/08/2029	Morningstar DBRS AA (Low)				170	151	Securities outstanding	Am. Cost
	Intesa Sanpaolo 02/31 FRN	Residential mortgage loans	22/11/2018	20/02/2031	Morningstar DBRS AA (Low)				290	284	Securities outstanding	Am. Cost
	Intesa Sanpaolo 08/26 FRN	Residential mortgage loans	22/11/2018	20/08/2026	Morningstar DBRS AA (Low)				207	202	Securities outstanding	Am. Cost
	Intesa Sanpaolo 08/31 FRN	Residential mortgage loans	18/12/2018	20/08/2031	Morningstar DBRS AA (Low)				210	202	Securities outstanding	Am. Cost
	Intesa Sanpaolo 05/32 FRN	Residential mortgage loans	20/02/2019	20/05/2032	Morningstar DBRS AA (Low)				321	309	Securities outstanding	Am. Cost
	Intesa Sanpaolo 02/33 FRN	Residential mortgage loans	24/06/2019	20/02/2033	Morningstar DBRS AA (Low)				172	168	Securities outstanding	Am. Cost
	Intesa Sanpaolo 08/32 FRN	Residential mortgage loans	16/12/2019	20/08/2032	Morningstar DBRS AA (Low)				517	466	Securities outstanding	Am. Cost
	Intesa Sanpaolo 08/33 FRN	Residential mortgage loans	17/02/2020	20/08/2033	Morningstar DBRS AA (Low)				1,063	994	Securities outstanding	Am. Cost
	Intesa Sanpaolo 02/34 FRN	Residential mortgage loans	17/02/2020	20/02/2034	Morningstar DBRS AA (Low)				138	125	Securities outstanding	Am. Cost
	Intesa Sanpaolo 08/34 FRN	Residential mortgage loans	17/02/2020	20/08/2034	Morningstar DBRS AA (Low)				133	125	Securities outstanding	Am. Cost
	Intesa Sanpaolo 02/28 FRN	Residential mortgage loans	24/06/2020	20/02/2028	Morningstar DBRS AA (Low)				1,042	978	Securities outstanding	Am. Cost
UBI FINANCE						4,165	22	4,151	2,998	2,929		
	Intesa Sanpaolo 16/26 0,375%	Residential mortgage loans	14/09/2016	14/09/2026	Moody's Aa2 Morningstar DBRS AAA				998	985	Securities outstanding	Am. Cost
	Intesa Sanpaolo 17/27 1,125%	Residential mortgage loans	04/10/2017	04/10/2027	Moody's Aa2 Morningstar DBRS AAA				1,250	1,230	Securities outstanding	Am. Cost
	Intesa Sanpaolo 18/30 1,25%	Residential mortgage loans	15/01/2018	15/01/2030	Moody's Aa2 Morningstar DBRS AAA				500	478	Securities outstanding	Am. Cost
	Intesa Sanpaolo 18/33 1,78%	Residential mortgage loans	23/02/2018	23/02/2033	Moody's Aa2 Morningstar DBRS AAA				90	85	Securities outstanding	Am. Cost
	Intesa Sanpaolo 18/33 1.75%	Residential mortgage loans	26/02/2018	25/02/2033	Moody's Aa2 Morningstar DBRS AAA				160	151	Securities outstanding	Am. Cost

(1) This caption includes the subordinated loan granted by Intesa Sanpaolo to the vehicles to finance the purchase of the portfolio used to collateralise the covered bonds. This loan is subject to derecognition in the separate IAS-compliant financial statements. The amount of the loan relates to the issuance already made under an issuance programme of a higher maximum amount.

(2) The nominal amount and carrying amount are net of the repurchased securities.

The additional information required by IFRS 12 is not provided by banks that draw up consolidated financial statements pursuant to Bank of Italy Circular 262.

F. MODELS FOR THE MEASUREMENT OF CREDIT RISK

As of 31 December 2025, the expected loss on performing loans to customers (which takes into account cash and unsecured loans) was 0.26%, down from 0.28% in 2024. The decrease was attributable to the improvement in the quality of the loan portfolio.

For the companies included in the roll out plan, the internal rating (PD), LGD and EAD models are subject to a second level control process carried out by the Validation function on the adequacy of the existing methodological framework, on an annual basis in accordance with the rules established by the Supervisory Authority, and a level three control by the Internal Audit Function. The control functions produce annual reports for the Supervisory Authority on the compliance of the models with the supervisory regulations, which also includes a verification on the deviations between estimates made and the actual figures, and they issue a compliance opinion when material model changes are made to the models. These reports, approved by the Board of Directors of Intesa Sanpaolo, confirm compliance with the regulatory requirements.

SECTION 2 – MARKET RISKS

REGULATORY TRADING BOOK

2.1 INTEREST RATE RISK AND PRICE RISK

Qualitative information

Qualitative information on the measurement of financial risks of Intesa Sanpaolo's regulatory trading book is contained in Part E of the Notes to the consolidated financial statements.

Quantitative information

Operational quantitative information on Intesa Sanpaolo's market risks is contained in Part E of the Notes to the consolidated financial statements.

BANKING BOOK

2.2 INTEREST RATE RISK AND PRICE RISK

Qualitative information

Qualitative information on the measurement of financial risks in Intesa Sanpaolo's banking book is contained in Part E of the Notes to the consolidated financial statements.

Quantitative information

Banking book - internal models and other sensitivity analysis methodologies

The sensitivity of net interest income – assuming a +50, -50 and +100 basis point change in interest rates – amounted to 112 million euro, -118 million euro and 220 million euro, respectively, at the end of 2025.

The last of these was up (+448 million euro) on the figure at the end of 2024, as a result of the application of the updated internal reactivity model, which reflected the specific elasticity measured at the level of each individual account and also included the new time series incorporating the recent phase of decline in short-term market interest rates (from end-2024 to end-2025). The change also reflected the growth in customer current account volumes and the management of the related hedges during the year, aimed at aligning the overall risk profile of the portfolio with the expected trend in interest rates.

Interest rate risk, generated by Intesa Sanpaolo's banking book, measured through the value sensitivity (sensitivity of portfolio value to a parallel and uniform shift in the yield curve of +100 basis points), recorded an average of -2,205 million euro during 2025 and amounted to -2,170 million euro at year-end. The overall risk exposure was stable compared with December 2024 (+28 million euro), and reflected the gradual implementation of the expected strategies, implemented in line with the anticipated normalisation of the yield curves, involving higher investments in medium to long-term maturities accompanied by a rebalancing of short-term risk.

Interest rate risk, measured in terms of VaR (99% confidence level, 10-day holding period), amounted to an average of 598 million euro during 2025, with a maximum value of 751 million euro and a minimum value of 513 million euro. In December 2025 VaR was 597 million euro, up by 109 million euro compared to the figure at the end of December 2024. This change was due to the increase in volatility recorded in 2025.

Price risk generated by minority stakes in listed companies, mostly held in the portfolios of Assets at fair value through other comprehensive income (FVOCI) and measured in terms of VaR, recorded an average level during 2025 of 80 million euro, with minimum and maximum values of 62 million euro and 101 million euro, respectively. In December 2025, the VaR stood at 77 million euro, in line with the figure at the end of December 2024.

Lastly, the table below shows a sensitivity analysis of the banking book to price risk, measuring the impact on Shareholders' Equity of a price shock for the above-mentioned quoted assets.

Price risk: impact on Shareholders' Equity

(millions of euro)

		Impact on shareholders' equity at 31.12.2025	Impact on shareholders' equity at 30.09.2025	Impact on shareholders' equity at 30.06.2025	Impact on shareholders' equity at 31.03.2025	Impact on shareholders' equity at 31.12.2024
Price shock	10%	86	93	93	83	74
Price shock	-10%	-86	-93	-93	-83	-74

2.3 FOREIGN EXCHANGE RISK

Qualitative information

Qualitative information, including hedging activities of foreign exchange risk, is contained in Part E of the Notes to the consolidated financial statements.

Quantitative information

1. Breakdown by currency of assets and liabilities and of derivatives

(millions of euro)

	CURRENCIES					
	US dollar	GB pound	Yen	Australian dollar	Swiss franc	Other currencies
A. FINANCIAL ASSETS	**52,212**	**7,901**	**3,931**	**3,700**	**1,021**	**4,418**
A.1 Debt securities	21,089	2,543	3,119	2,170	26	732
A.2 Equities	2,520	1,917	34	-	71	551
A.3 Loans to banks	6,017	248	145	58	327	1,580
A.4 Loans to customers	22,586	3,193	633	1,472	597	1,555
A.5 Other financial assets	-	-	-	-	-	-
B. OTHER ASSETS	**2,863**	**355**	**151**	**311**	**133**	**625**
C. FINANCIAL LIABILITIES	**35,671**	**5,954**	**1,107**	**2,223**	**194**	**2,101**
C.1 Due to banks	15,779	2,293	12	2,164	140	1,468
C.2 Due to customers	7,677	362	568	-	-	493
C.3 Debt securities	12,215	3,299	527	59	54	140
C.4 Other financial liabilities	-	-	-	-	-	-
D. OTHER LIABILITIES	**4,435**	**653**	**598**	**73**	**257**	**1,205**
E. FINANCIAL DERIVATIVES						
- Options						
long positions	*1,472*	*519*	*150*	*42*	*750*	*610*
short positions	*2,466*	*481*	*136*	*63*	*533*	*899*
- Other derivatives						
long positions	*63,273*	*15,074*	*2,547*	*984*	*3,010*	*18,958*
short positions	*77,335*	*16,730*	*4,926*	*2,732*	*3,947*	*20,437*
TOTAL ASSETS	**119,820**	**23,849**	**6,779**	**5,037**	**4,914**	**24,611**
TOTAL LIABILITIES	**119,907**	**23,818**	**6,767**	**5,091**	**4,931**	**24,642**
DIFFERENCE (+/-)	**-87**	**31**	**12**	**-54**	**-17**	**-31**

As of 31 December 2022, the presentation of the "Breakdown by currency of assets and liabilities and of derivatives" has been aligned with the prudential approach in compliance with the new methodological framework introduced by the EBA Guidelines on the treatment of structural FX under Article 352(2) of Regulation (EU) No 575/2013 (CRR).

2. Internal models and other sensitivity analysis methodologies

As already noted, the management of Transaction Foreign Exchange Risk relating to trading activities is included in the operating procedures and in the estimation methodologies of the managerial VaR.
Foreign exchange risk expressed by equity investments in foreign currency (banking book) originated a VaR (99% confidence level, 10-day holding period) amounting to 66 million euro as at 31 December 2025. This potential impact would only be reflected in the Shareholders' Equity.

SECTION 3 – DERIVATIVES AND HEDGING POLICIES

The Bank is authorised to use EPE (Expected Positive Exposure) internal models to determine the capital requirement for counterparty risk. These models are used for almost the entire derivatives portfolio (as shown in the table below, as at 31 December 2025 approximately 96% of the total EAD of financial and credit derivatives is measured using EPE models).
Derivatives whose counterparty risk is measured using approaches other than internal models represent a residual portion of the portfolio (as at 31 December 2025 accounting for approximately 4% of overall EAD) and refer to types not included in the calculation model, in compliance with the immateriality thresholds set by the EBA.
As a result of the entry into force of the Basel 3 rules, the scope of counterparty risk also includes Exchange Traded Derivatives (ETD) and contracts with central counterparties (CCP).
The table below shows the overall EAD of exposures in financial and credit derivatives, broken down by measurement approach.

(millions of euro)

Transaction categories	Exposure at default (EAD)			
	31.12.2025		31.12.2024	
	Standardised models	Internal Method (EPE)	Standardised models	Internal Method (EPE)
Derivative contracts	415	9,913	311	10,924

Using the EPE internal model, it is possible to consider the collateral collected to mitigate credit exposure and any excess collateral paid in the simulation. The value of the guarantees received and included in the calculation of the EAD amounts to approximately 18.3 billion euro for Intesa Sanpaolo, while the collateral provided to counterparties amounts to around 12.7 billion euro (these amounts include the initial margins posted in connection with transactions with central counterparties and those received from bilateral counterparties and clearing service customers).

3.1 Trading derivatives

A. FINANCIAL DERIVATIVES

A.1 Financial trading derivatives: period-end notional amounts

(millions of euro)

Underlying asset/Type of derivatives	31.12.2025				31.12.2024			
	Over the counter			Organised markets	Over the counter			Organized markets
	Central Counterparties	Without central counterparties			Central Counterparts	without central counterparties		
		With netting agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Debt securities and interest rate	**3,291,331**	**543,653**	**85,064**	**164,259**	**3,190,423**	**547,480**	**79,762**	**110,403**
a) Options	-	280,486	7,894	1,479	-	286,299	9,850	690
b) Swaps	3,291,331	263,167	76,474	-	3,190,423	261,181	68,807	-
c) Forwards	-	-	696	-	-	-	1,080	-
d) Futures	-	-	-	162,780	-	-	25	109,713
e) Other	-	-	-	-	-	-	-	-
2. Equities and stock indices	**-**	**16,919**	**34,763**	**8,069**	**-**	**18,659**	**30,035**	**6,654**
a) Options	-	13,393	34,746	1,034	-	10,870	30,026	1,670
b) Swaps	-	3,526	17	-	-	7,789	9	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	7,035	-	-	-	4,984
e) Other	-	-	-	-	-	-	-	-
3. Foreign exchange rates and gold	**-**	**169,993**	**17,846**	**54**	**-**	**171,592**	**20,980**	**20**
a) Options	-	49,476	2,461	-	-	45,636	3,745	-
b) Swaps	-	32,949	2,191	-	-	37,279	2,305	-
c) Forwards	-	87,328	11,687	-	-	88,316	13,917	-
d) Futures	-	-	-	54	-	-	-	20
e) Other	-	240	1,507	-	-	361	1,013	-
4. Commodities	**-**	**2,503**	**1,104**	**1,662**	**-**	**3,272**	**1,583**	**2,770**
5. Other underlying assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**3,291,331**	**733,068**	**138,777**	**174,044**	**3,190,423**	**741,003**	**132,360**	**119,847**

The notional amounts shown as at 31 December 2025 in the column "Over the counter" with central counterparties relate to interest rate derivatives settled through legal clearing for a total of 3,291 billion euro.

A.2 Financial trading derivatives: gross positive and negative fair value – breakdown by product

(millions of euro)

Type of derivative	31.12.2025				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. Positive fair value								
a) Options	-	1,960	1,460	38	-	2,142	740	123
b) Interest rate swaps	54,172	8,471	1,444	-	55,593	10,469	2,071	-
c) Cross currency swaps	-	514	251	-	-	919	214	-
d) Equity swaps	-	20	-	-	-	63	-	-
e) Forwards	-	661	162	-	-	951	218	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	157	107	-	-	226	191	-
Total	**54,172**	**11,783**	**3,424**	**38**	**55,593**	**14,770**	**3,434**	**123**
2. Negative fair value								
a) Options	-	2,417	9,756	29	-	2,760	8,645	125
b) Interest rate swaps	55,717	7,337	986	-	58,054	8,131	1,378	-
c) Cross currency swaps	-	1,572	19	-	-	1,928	39	-
d) Equity swaps	-	19	23	-	-	68	8	-
e) Forwards	-	555	204	-	-	1,336	270	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	202	140	-	-	174	121	-
Total	**55,717**	**12,102**	**11,128**	**29**	**58,054**	**14,397**	**10,461**	**125**

This table shows the fair value of all the unmargined contracts, both on regulated markets and with central counterparties.

The amounts shown in the column "Over the counter" with central counterparties relate to the gross fair value of the over-the-counter (OTC) derivatives settled through legal clearing, including LCH Ltd.

The fair value of the over-the-counter (OTC) trading derivatives held with the legal clearing agent LCH Ltd., considered to have met the requirements of IAS 32, paragraph 42, was offset in the financial statements (Part B of the Notes to financial statements) with a total negative difference for financial derivatives held for trading of 3,359 million euro (positive fair value of 48,741 million euro and negative fair value of 52,100 million euro). The difference relates to transactions originated by customers and Group companies for a positive clearing amount of 1,778 million euro (positive fair value of 2,445 million euro and negative fair value of 667 million euro), shown under financial assets held for trading, and to transactions on own account for a negative clearing amount of 5,137 million euro (positive fair value of 46,296 million euro and negative fair value of 51,433 million euro), shown under financial liabilities held for trading. Financial liabilities held for trading were also affected by the positive result of clearing of hedging derivative contracts of 2,825 million euro (positive fair value of 6,905 million euro and negative fair value of 4,080 million euro).

A.3 Over the counter financial trading derivatives: notional amounts, gross positive and negative fair value by counterparty

(millions of euro)

Underlying asset	Central Counterparties	Banks	Other financial companies	Other counterparties
Contracts not included under netting agreements				
1) Debt securities and interest rates				
- notional amount	X	9,632	21,462	53,970
- positive fair value	X	49	400	1,028
- negative fair value	X	-97	-203	-1,328
2) Equities and stock indices				
- notional amount	X	2,352	23,717	8,694
- positive fair value	X	62	1,355	3
- negative fair value	X	-94	-831	-8,192
3) Foreign exchange rates and gold				
- notional amount	X	1,646	1,444	14,756
- positive fair value	X	26	52	379
- negative fair value	X	-22	-4	-238
4) Commodities				
- notional amount	X	-	6	1,098
- positive fair value	X	-	-	70
- negative fair value	X	-	-1	-118
5) Other				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts included under netting agreements				
1) Debt securities and interest rates				
- notional amount	3,291,331	410,473	119,084	14,096
- positive fair value	54,172	6,148	2,929	240
- negative fair value	-55,717	-6,670	-1,134	-486
2) Equities and stock indices				
- notional amount	-	7,026	9,810	83
- positive fair value	-	597	240	23
- negative fair value	-	-50	-1,095	-3
3) Foreign exchange rates and gold				
- notional amount	-	120,815	40,385	8,793
- positive fair value	-	871	373	208
- negative fair value	-	-1,535	-637	-291
4) Commodities				
- notional amount	-	126	457	1,920
- positive fair value	-	10	65	79
- negative fair value	-	-6	-31	-164
5) Other				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 Residual maturity of over the counter financial derivatives: notional amounts

(millions of euro)

Underlying/Residual maturity	Up to 1 year	Between 1 and 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	1,257,591	1,613,363	1,049,094	3,920,048
A.2 Financial derivatives on equities and stock indices	19,881	29,521	2,280	51,682
A.3 Financial derivatives on foreign exchange rates and gold	139,485	35,163	13,191	187,839
A.4 Financial derivatives on commodities	1,341	2,254	12	3,607
A.5 Other financial derivatives	-	-	-	-
Total 31.12.2025	**1,418,298**	**1,680,301**	**1,064,577**	**4,163,176**
Total 31.12.2024	**1,476,387**	**1,693,632**	**893,767**	**4,063,786**

B. CREDIT DERIVATIVES

B.1 Credit trading derivatives: period-end notional amounts

(millions of euro)

Categories of transactions	Trading derivatives	
	single counterparty	more counterparties (basket)
1. Protection purchases		
a) Credit default products	7,866	188,590
b) Credit spread products	-	-
c) Total rate of return swap	727	-
d) Other	-	-
Total 31.12.2025	**8,593**	**188,590**
Total 31.12.2024	**6,373**	**127,636**
2. Protection sales		
a) Credit default products	6,338	186,898
b) Credit spread products	-	-
c) Total rate of return swap	589	-
d) Other	-	-
Total 31.12.2025	**6,927**	**186,898**
Total 31.12.2024	**9,823**	**125,213**

As at 31 December 2025, none of the contracts shown in the table were included within the disclosure on structured credit products reported in the chapter on market risks in the Notes to the consolidated financial statements.

B.2 Credit trading derivatives: gross positive and negative fair value – breakdown by product

(millions of euro)

Type of derivative	Total 31.12.2025	Total 31.12.2024
1. Positive fair value		
a) Credit default products	5,091	2,975
b) Credit spread products	-	-
c) Total rate of return swap	11	95
d) Other	-	-
Total	**5,102**	**3,070**
2. Negative fair value		
a) Credit default products	5,168	3,028
b) Credit spread products	-	-
c) Total rate of return swap	3	25
d) Other	-	-
Total	**5,171**	**3,053**

As at 31 December 2025, none of the contracts shown in the table were included within the disclosure on structured credit products reported in the chapter on market risks in the Notes to the consolidated financial statements.

The Total Rate of Return Swap (TRS) for protection sales refers to transactions operationally correlated with short positions in debt securities represented under Financial liabilities held for trading, and did not have a significant fair value as at 31 December 2025.

B.3 Over the counter credit trading derivatives: notional amounts, gross positive and negative fair value by counterparty

(millions of euro)

	Central counterparties	Banks	Other financial companies	Other counterparties
Contracts not included under netting agreements				
1) Protection purchases				
− notional amount	X	-	161,514	379
− positive fair value	X	-	32	10
− negative fair value	X	-	-	-4,479
2) Protection sales				
− notional amount	X	-	160,634	-
− positive fair value	X	-	4,462	-
− negative fair value	X	-	-31	-
Contracts included under netting agreements				
1) Protection purchases				
− notional amount	17,075	9,980	8,235	-
− positive fair value	5	12	7	-
− negative fair value	-456	-102	-63	-
2) Protection sales				
− notional amount	16,306	8,465	8,420	-
− positive fair value	438	72	64	-
− negative fair value	-17	-10	-13	-

As at 31 December 2025, none of the contracts shown in the table were included within the disclosure on structured credit products reported in the chapter on market risks in the Notes to the consolidated financial statements.

B.4 Residual maturity of over the counter credit trading derivatives: notional amounts

(millions of euro)

Underlying/Residual maturity	Up to 1 year	Between 1 and 5 years	Over 5 years	Total
1. Protection sales	9,747	182,796	1,282	193,825
2. Protection purchases	11,223	185,062	898	197,183
Total 31.12.2025	**20,970**	**367,858**	**2,180**	**391,008**
Total 31.12.2024	**10,613**	**255,563**	**2,869**	**269,045**

B.5 Credit derivatives associated with the fair value option: annual changes

Intesa Sanpaolo does not hold credit derivatives associated with the fair value option.

3.2 Accounting hedges

Qualitative information

On first-time adoption of IFRS 9, the Intesa Sanpaolo Group exercised its option under the standard to continue to fully apply the rules of IAS 39 for all types of hedges (micro and macro hedges). As a result, the provisions of IFRS 9 on hedging do not apply.
The hedging is carried out through derivatives that, in relation to the commencement of cash flows and the exchange of the underlying, may either start immediately (spot-start derivatives) or at a future date (forward-start derivatives).

A. Fair value hedging

The hedging carried out by the Bank is aimed at protecting the banking book from variations in the fair value of loans and deposits due to movements in the interest rate curve (interest rate risk).

The Bank uses both micro fair value hedges and macro fair value hedges.
The micro fair value hedges mainly hedge bonds issued, debt securities under assets and loans to customers.
The macro fair value hedges are used for:
– core deposits, based on the applicable standards in the carved-out version of IAS 39;
– the already fixed portion of floating-rate loans, in which the macro fair value hedge is used to hedge the interest rate risk inherent in the floating-rate coupons of the loans granted, when the coupon rate is set;
– a portion of fixed-rate loans; for this type, in line with the carved-out version of IAS 39, an open-portfolio macrohedging model has been adopted according to a bottom-layer approach that, in accordance with the interest rate risk measurement method involving modelling of the prepayment phenomenon, is more closely correlated with risk management activity and asset dynamics;
– embedded interest rate cap (CAP) option in floating-rate loans.

The main types of derivative contracts used are plain and structured interest rate swaps (IRS), overnight index swaps (OIS), cross-currency swaps (CCS), forward sales and options on interest rates stipulated with market counterparties.
The derivatives are not listed on regulated markets but are traded in OTC (over the counter) circuits. The OTC contracts also include contracts entered into through clearing houses, which account for the majority of derivatives.

B. Cash flow hedging

The hedging carried out by the Bank is aimed at protecting it from the exposure to changes in future cash flows attributable to movements in the interest rate curve, associated with a particular asset/liability, such as variable future interest payments on a debt/loan or a highly probable expected future transaction.

The Bank uses both micro cash flow hedges and macro cash flow hedges. The micro cash flow hedges mainly hedge bonds issued.
The macro cash flow hedges are used for:
– floating-rate funding;
– floating-rate loans.

The derivatives used are interest rate swaps (IRS) with market counterparties.
The derivatives are not listed on regulated markets but are traded in OTC (over the counter) circuits. The OTC contracts also include contracts entered into through clearing houses, which account for the majority of derivatives.

C. Hedging of foreign investments

The Bank takes out foreign exchange hedges against the foreign exchange risk on the cost of funding in foreign currency and on foreign currency gains generated by the Parent Company's international branches. These are operational hedges, which are therefore not recognised as accounting hedges covered by this section.

D. Hedging instruments

The main causes of ineffectiveness of the model adopted by the Bank for verifying the effectiveness of the hedges are attributable to the following:

– misalignment between the notional value of the derivative and the hedged underlying recognised at the time of initial designation or generated subsequently, such as in the case of partial repayments of loans or the repurchase of bonds;
– application of different curves respectively on the hedging derivative and hedged item for the effectiveness test on fair value hedges. In the derivatives, normally collateralised or entered into through clearing houses, the cash flows are discounted on the overnight curves, while the hedged items are discounted on the indexing curve of the cash flows of the hedging instrument;
– inclusion in the effectiveness test of the value of the floating-rate cash flows of the hedging derivative, for fair value hedges.

The ineffectiveness of the hedge is promptly determined for the purposes of:

– the determination of the impact to be recognised in the income statement;
– the assessment of the possibility of continuing to apply the hedge accounting rules.

The Bank does not use dynamic hedges, as defined in IFRS 7, paragraph 23C.

E. Hedged items

The main types of hedged items are:

– debt securities under assets;
– debt securities issued and non-securities funding;
– fixed-rate loans;
– floating-rate loans;
– embedded interest rate cap (CAP) option in floating-rate mortgages;
– already set coupon of floating-rate loans;
– modelled on demand deposits.

E.1 Debt securities under assets

The debt securities under assets are hedged by micro fair value hedges, involving the use of IRS (interest rate swaps), OIS (overnight index swaps) and CCS (cross-currency swaps) as hedging instruments.
The interest rate risk is usually hedged for the entire portfolio holding period of the debt instrument.
The Dollar Offset Method is used to verify the hedge effectiveness. This method is based on the ratio between the cumulative changes (from the inception of the hedge) in the fair value of the hedging instrument, attributable to the hedged risk, and cumulative changes in the fair value of the hedged item (fair value change), net of the accrual component of the earned interest.
Micro fair value hedges also include forward sales on debt securities held under Financial assets at fair value through other comprehensive income (HTCS), carried out to hedge risks of fair value changes connected to movements in credit spreads and interest rates. With regard to the forward sale contract, which is a derivative because it is a non-regular way transaction, the spot component is separated from the interest component by designating only the spot component as the hedging instrument in a fair value hedging relationship.

E.2 Debt securities issued and non-securities funding

The Bank establishes micro fair value hedges in place on fixed-rate funding and micro cash flow hedges or macro cash flow hedges on floating-rate funding, using IRS (interest rate swaps), OIS (overnight index swaps) and CCS (cross-currency swaps) as hedging instruments.
The interest rate risk is usually hedged throughout the life of the bond.
For the micro hedges, the hedge effectiveness is verified using the Dollar Offset Method. This method is based on the ratio between the cumulative changes (from the inception of the hedge) in the fair value or the cash flows of the hedging instrument, attributable to the hedged risk, and cumulative changes in the fair value or the cash flows of the hedged item (fair value change), net of the accrual component of the earned interest.
For the macro hedges, the hedge effectiveness is verified by means of a capacity test. This test involves a comparison of the consistency between the hedged items, referring to existing or expected floating-rate funding (highly probable future transactions), and the hedging instruments, and must be performed throughout the life of the hedging relationship and for each time band. In this case, the hedged item is represented by the expected cash flows from funding that will arise over the life of the funding. The estimate of the expected upcoming and highly probable funding is subject to annual approval by the Group Financial Risks Committee.

E.3 Fixed-interest loans

The Bank establishes micro fair value hedges for fixed-rate loans and macro fair value hedges for mortgage loans disbursed to retail counterparties of the Bank, mainly using IRS (interest rate swaps) as hedging instruments.
The interest rate risk is usually hedged throughout the life of the underlying.
For the micro hedges, the hedge effectiveness is verified using the Dollar Offset Method.
For the macro hedges, the loan portfolio hedged is open, i.e. it is dynamically composed of fixed-loans hedged, at aggregate level, through hedging derivatives entered into over time.
The effectiveness of the macro hedges on fixed-rate loans is periodically verified through specific prospective and retrospective tests aimed at demonstrating that the hedged portfolio contains an amount of assets whose sensitivity profile and changes in

fair value due to interest rate risk reflect those of the derivatives used for the hedge.

E.4 Floating-rate loans

The Bank establishes macro cash flow hedges on floating-rate loans, mainly using interest rates swaps (IRSs) as hedging instruments.
The hedge effectiveness is verified by means of a capacity test. This test, which involves a comparison of the consistency between the hedged items, referring to the floating-rate loans outstanding, and the hedging instruments, must be performed throughout the life of the hedging relationship and for each time band. In this case, the hedged item is represented by the expected cash flows originating from the loans that will arise over the life of the assets.

E.5 Embedded interest rate cap (CAP) option in floating-rate mortgages

The Bank establishes macro fair value hedges on embedded interest rate cap (CAP) options in floating-rate mortgages using interest-rate options as hedging instruments.
The loan portfolio hedged is an open portfolio.
The effectiveness of the macro hedges of embedded interest rate options relating to floating-rate loans is periodically verified through specific prospective and retrospective tests aimed at demonstrating that the hedged portfolio contains an amount of assets whose strike profile and changes in fair value due to interest rate risk reflect those of the derivatives used for the hedge.

E.6 Already set coupon of floating-rate loans

The Bank establishes macro fair value hedges on coupons already set for floating-rate loans using OIS (overnight index swaps) as hedging instruments.
The purpose of this type of hedge is to neutralise the interest rate risk generated by the coupons already set for floating-rate loans.
The Dollar Offset Method is used to verify the hedge effectiveness, while the actual consistency of the hedged items is verified through a capacity test.

E.7 Modelled on demand deposits

Modelled on demand deposits are hedged by macro fair value hedges, as required by the "carve out" of IAS 39, using IRS (interest rate swaps) and OIS (overnight index swaps) as hedging instruments.
The purpose of the hedge is to protect net interest income from possible falls in interest rates that reduce the spread generated by the Bank's core deposits.
The model is subject to continuous monitoring and verification by Market & Financial Risk Management, in order to promptly incorporate changes in the main characteristics of the model (volumes, stability, reactivity) and make the necessary adjustments where appropriate.
The hedge effectiveness is verified using the Dollar Offset Method.

E.8 Equity investments

The Bank establishes micro fair value hedges on equity interests in foreign currency measured at cost using foreign exchange outright derivatives as hedges.
The purpose of the hedging is to neutralise the exchange rate fluctuations in equity investments.
Of the currency forward derivative contract, only the change relating to the spot exchange rate (spot component) is designated a hedge subject to hedge accounting; this change is separated from the total fair value of the instrument.
The Dollar Offset Method is used to verify the hedge effectiveness assuming that the changes in fair value relate exclusively to foreign exchange risk.

Quantitative information

A. Financial hedging derivatives

A.1 Financial hedging derivatives: period-end notional amounts

(millions of euro)

Underlying asset/Type of derivative	31.12.2025				31.12.2024			
	Over the counter			Organised markets	Over the counter			Organized markets
	Central Counterparties	Without central counterparties			Central Counterparts	Without central counterparties		
		With netting agreements	Without netting agreements			With netting agreements	Without netting agreement	
1. Debt securities and interest rates	**453,899**	**9,504**	**9,249**	**-**	**467,803**	**13,644**	**6,794**	**-**
a) Options	-	407	-	-	-	532	-	-
b) Swaps	453,899	9,097	5,902	-	467,803	13,112	5,993	-
c) Forwards	-	-	3,347	-	-	-	801	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equities and stock indices	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Foreign exchange rates and gold	**-**	**6,795**	**-**	**-**	**-**	**10,852**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	6,439	-	-	-	10,498	-	-
c) Forwards	-	356	-	-	-	354	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**453,899**	**16,299**	**9,249**	**-**	**467,803**	**24,496**	**6,794**	**-**

The average notional amount in the year of the financial hedging derivatives was 498 billion euro.
The notional amounts shown as at 31 December 2025 in the column "Over the counter" with central counterparties relate to notional amounts of the financial hedging derivatives settled through legal clearing for a total of 454 billion euro.

A.2 Financial hedging derivatives: gross positive and negative fair value – breakdown by product

(millions of euro)

Type of derivative	Positive and negative fair value								Change in value used to calculate hedge effectiveness	
	Total 31.12.2025				Total 31.12.2024					
	Over the counter			Organized markets	Over the counter			Organized markets	Total 31.12.2025	Total 31.12.2024
	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	-	4	-	-	-	9	-	-	1	-30
b) Interest rate swap	12,463	623	66	-	10,778	587	158	-	11,767	10,519
c) Cross currency swap	-	539	-	-	-	256	-	-	46	-92
d) Equity swap	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	13	-	-	1	10	-	-	1
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**12,463**	**1,166**	**79**	**-**	**10,778**	**853**	**168**	**-**	**11,814**	**10,398**
Negative fair value										
a) Options	-	1	-	-	-	1	-	-	-	-
b) Interest rate swap	5,145	596	61	-	8,161	1,072	46	-	5,289	8,769
c) Cross currency swap	-	465	-	-	-	478	-	-	390	775
d) Equity swap	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	4	1	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**5,145**	**1,066**	**62**	**-**	**8,161**	**1,551**	**46**	**-**	**5,679**	**9,544**

The amounts shown as at 31 December 2025 in the column "Over the counter" with central counterparties relate to the gross fair value of the over-the-counter (OTC) financial hedging derivatives settled through legal clearing, including LCH Ltd.
The fair value of the over-the-counter (OTC) financial hedging derivatives held with the legal clearing agent LCH Ltd., considered to have met the requirements of IAS 32, paragraph 42, was offset in the financial statements (Part B of the Notes to the financial statements) with a total positive difference of 2,825 million euro (positive fair value of 6,905 million euro and negative fair value of 4,080 million euro), represented among Financial liabilities held for trading in Financial derivatives.

A.3 Over the counter financial hedging derivatives: notional amounts, gross positive and negative fair values by counterparty

(millions of euro)

Underlying asset	Central counterparties	Banks	Other financial companies	Other counterparties
Contracts not included under netting agreements				
1) Debt securities and interest rates				
- notional amount	X	1,974	7,275	-
- positive fair value	X	8	71	-
- negative fair value	X	-	-62	-
2) Equities and stock indices				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Foreign exchange rates and gold				
- notional amount	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
4) Commodities				
- 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 included under netting agreements				
1) Debt securities and interest rates				
- notional amount	453,899	8,609	895	-
- positive fair value	12,463	622	5	-
- negative fair value	-5,145	-347	-250	-
2) Equities and stock indices				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Foreign exchange rates and gold				
- notional amount	-	3,711	3,084	-
- positive fair value	-	430	109	-
- negative fair value	-	-198	-271	-
4) Commodities				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional amount	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 Residual maturity of over the counter financial hedging derivatives: notional amounts

(millions of euro)

Underlying/Residual maturity	Up to 1 year	Between 1 and 5 years	Over 5 year	Total
A.1 Financial derivatives on debt securities and interest rates	96,702	205,563	170,387	472,652
A.2 Financial derivatives on equities and stock indices	-	-	-	-
A.3 Financial derivatives on foreign exchange rates and gold	1,948	2,645	2,202	6,795
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31.12.2025	**98,650**	**208,208**	**172,589**	**479,447**
Total 31.12.2024	**124,978**	**201,358**	**172,757**	**499,093**

B. Credit hedging derivatives

B.1 Credit hedging derivatives: period-end notional amounts

B.2 Credit hedging derivatives: gross positive and negative fair value - breakdown by product

B.3 Over the counter credit hedging derivatives: notional amounts, gross positive and negative fair values by counterparty

B.4 Residual maturity of over the counter credit hedging derivatives: notional amounts
Intesa Sanpaolo does not hold credit derivatives classified as hedges in its portfolio.

C. Non-derivative hedging instruments

C.1 Non-derivative hedging instruments: breakdown by accounting portfolio and type of hedge
Intesa Sanpaolo has exercised the option, provided for on the introduction of IFRS 9, of continuing to fully apply the provisions of IAS 39 on hedge accounting (in the carved-out version endorsed by the European Commission) for each type of hedge (both for micro hedges and macro hedges). For this reason, the Bank does not hold financial instruments to be shown in table "C.1 Non-derivative hedging instruments: breakdown by accounting portfolio and type of hedge".

D. Hedged items

Intesa Sanpaolo has exercised the option, provided for on the introduction of IFRS 9, of continuing to fully apply the provisions of IAS 39 on hedge accounting (in the carved-out version endorsed by the European Commission) for each type of hedge (both for micro hedges and macro hedges).

D.1 Fair value hedges

(millions of euro)

	Micro-hedges: book value	Micro-hedges – net positions: book value of assets and liabilities (prior to netting)	Micro-hedges			Macro-hedges: book value
			Cumulative fair value changes (hedged instrument)	Termination of hedging: residual cumulative fair value changes	Changes in value used to assess hedge ineffectiveness	
A. Assets						
1. Financial assets designated at fair value through other comprehensive income – hedging of:	**52,748**	**-**	**-1,440**	**-230**	**-1,430**	**-**
1.1 Debt securities and interest rates	49,537	-	-1,397	-230	-1,384	x
1.2 Equities and stock indices	-	-	-	-	-	x
1.3 Foreign exchange rates and gold	-	-	-	-	-	x
1.4 Loans	-	-	-	-	-	x
1.5 Other	3,211	-	-43	-	-46	x
2. Financial assets measured at amortised cost - hedging of:	**53,602**	**-**	**-2,373**	**-287**	**-2,067**	**107,931**
1.1 Debt securities and interest rates	53,200	-	-2,515	-287	-2,256	x
1.2 Equities and stock indices	-	-	-	-	-	x
1.3 Foreign exchange rates and gold	-	-	-	-	-	x
1.4 Loans	-	-	-	-	-	x
1.5 Other	402	-	142	-	189	x
Total 31.12.2025	**106,350**	**-**	**-3,813**	**-517**	**-3,497**	**107,931**
Total 31.12.2024	**92,336**	**-**	**-980**	**-787**	**-596**	**116,017**
B. Liabilities						
1. Financial liabilities measured at amortised cost - hedging of:	**46,713**	**-**	**-467**	**-611**	**-412**	**195,953**
1.1 Debt securities and interest rates	44,080	-	-262	-326	-213	x
1.2 Foreign exchange rates and gold	-	-	-	-	-	x
1.3 Other	2,633	-	-205	-285	-199	x
Total 31.12.2025	**46,713**	**-**	**-467**	**-611**	**-412**	**195,953**
Total 31.12.2024	**58,548**	**-**	**-1,242**	**-**	**-1,227**	**202,412**

D.2 Cash flow hedges and hedges of foreign investments

(millions of euro)

			Change in value used to assess hedge ineffectiveness	Hedging reserves	Termination of hedging: residual cumulative value of the hedging reserves
A. Cash flow hedge					
1. Assets			**100**	**-67**	**-**
1.1 Debt securities and interest rates			100	-67	-
1.2 Equities and stock indices			-	-	-
1.3 Foreign exchange rates and gold			-	-	-
1.4 Loans			-	-	-
1.5 Other			-	-	-
2. Liabilities			**141**	**-78**	**-**
1.1 Debt securities and interest rates			141	-78	-
1.2 Foreign exchange rates and gold			-	-	-
1.3 Other			-	-	-
Total (A)	**31.12.2025**		**241**	**-145**	**-**
Total (A)	**31.12.2024**		**177**	**-176**	**-**
B. Hedges of foreign investments			X	-	-
Total (A+B)	**31.12.2025**		**241**	**-145**	**-**
Total (A+B)	**31.12.2024**		**177**	**-176**	**-**

E. Effects of hedging on shareholders' equity

E.1 Reconciliation of components of shareholders' equity

(millions of euro)

	Cash flow hedging reserve					Reserve for hedging of foreign investments				
	Debt securities and interest rates	**Equities and stock indices**	**Foreign exchange rates and gold**	**Loans**	**Other**	**Debt securities and interest rates**	**Equities and stock indices**	**Foreign exchange rates and gold**	**Loans**	**Other**
Initial amount	**-176**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Fair value changes (effective portion)	31	-	-	-	-	-	-	-	-	-
Reclassification to the income statement	-	-	-	-	-	-	-	-	-	-
of which: future transactions no longer expected	-	-	-	-	-	X	X	X	X	X
Other changes	-	-	-	-	-	-	-	-	-	-
of which: transfer to the initial book value of the hedged instruments	-	-	-	-	-	X	X	X	X	X
Final amount	**-145**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

The category "Hedging instruments (non-designated items)" is not present, because Intesa Sanpaolo has exercised the option, provided for on the introduction of IFRS 9, of continuing to fully apply the provisions of IAS 39 on hedge accounting (in the carved-out version endorsed by the European Commission) for each type of hedge (both for micro hedges and macro hedges).

3.3 Other information on derivative instruments (trading and hedging)

A. Credit and financial derivatives

A.1 Over the counter credit and financial derivatives: net fair values by counterparty

(millions of euro)

	Central counterparties	Banks	Other financial companies	Other counterparties
A. Financial derivatives				
1) Debt securities and interest rates				
- notional amount	2,544,447	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-534	-	-	-
2) Equities and stock indices				
- notional amount	-	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-	-	-	-
3) Foreign exchange rates and gold				
- notional amount	-	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-	-	-	-
4) Commodities				
- notional amount	-	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-	-	-	-
5) Other				
- notional amount	-	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-	-	-	-
B. Credit derivatives				
1) Protection purchases				
- notional amount	-	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-	-	-	-
2) Protection sales				
- notional amount	-	-	-	-
- positive net fair value	-	-	-	-
- negative net fair value	-	-	-	-

The table shows the values resulting from the offsetting in the balance sheet for the derivatives whose netting agreements meet the criteria set out in IAS 32 paragraph 42.
In particular, the above refers to over-the-counter (OTC) trading and hedging financial and credit in place with the legal clearing agent LCH Ltd., for which the fair values attributable to transactions on own account and transactions on behalf of customers and Group companies have been offset separately in the financial statements.
The clearing amount, which had a total net negative value of 534 million euro (positive fair value of 55,646 million euro and negative fair value of 56,180 million euro), attributable to a negative result of 3,359 million euro from trading derivatives and a positive result of 2,825 million euro from hedging derivatives, is presented in Part B of the Notes to the financial statements, for operations on behalf of customers and Group companies (trading derivatives) among Financial assets held for trading for 1,778 million euro, and for operations on own account (trading derivatives and hedging derivatives) among Financial liabilities held for trading for 2,312 million euro, respectively.

SECTION 4 - LIQUIDITY RISK

QUALITATIVE INFORMATION

The qualitative information is contained in Part E of the Notes to the consolidated financial statements.

QUANTITATIVE INFORMATION

1. Breakdown by contractual residual maturity of financial assets and liabilities

The breakdown by maturity of financial assets and liabilities is shown in the tables below according to the rules set forth in the financial statement regulations (Bank of Italy Circular 262 and related clarifications issued by the Supervisory Authority), using accounting information organised by contractual residual maturity.

Therefore, no operational data was used that would require, for example, the modelling of core deposits and the representation of on-balance sheet items according to their level of liquidability.

Currency of denomination: Euro

(millions of euro)

Type/Residual maturity	On demand	Between 1 and 7 days	Between 7 and 15 days	Between 15 days and 1 month	Between 1 and 3 months	Between 3 and 6 months	Between 6 months and 1 year	Between 1 and 5 years	Over 5 years	Unspecified maturity
A. Cash assets	**50,862**	**10,878**	**7,520**	**12,890**	**23,788**	**22,712**	**33,662**	**147,497**	**201,668**	**3,688**
A.1 Government bonds	4	-	107	434	364	871	1,555	20,541	57,634	-
A.2 Other debt securities	411	348	994	2,945	708	763	1,154	10,360	29,857	3
A.3 Quotas of UCI	3,252	-	-	-	-	-	-	-	-	-
A.4 Loans	47,195	10,530	6,419	9,511	22,716	21,078	30,953	116,596	114,177	3,685
- Banks	22,490	2,484	512	328	4,693	5,891	5,545	9,837	1,849	3,644
- Customers	24,705	8,046	5,907	9,183	18,023	15,187	25,408	106,759	112,328	41
B. Cash liabilities	**316,542**	**47,066**	**3,707**	**4,055**	**15,104**	**12,559**	**21,484**	**74,134**	**36,448**	**-**
B.1 Deposits and current accounts	290,229	1,848	2,339	2,420	6,343	6,416	8,962	3,746	753	-
- Banks	7,009	658	545	1,636	3,300	4,463	8,366	3,475	652	-
- Customers	283,220	1,190	1,794	784	3,043	1,953	596	271	101	-
B.2 Debt securities	11	-	38	673	4,783	2,756	11,643	64,687	30,451	-
B.3 Other liabilities	26,302	45,218	1,330	962	3,978	3,387	879	5,701	5,244	-
C. Off-balance sheet transactions										
C.1 Financial derivatives with exchange of capital										
- Long positions	187	8,756	8,089	8,654	28,284	8,378	6,998	14,753	11,814	-
- Short positions	198	6,551	4,191	4,536	13,006	6,423	6,203	12,708	16,835	-
C.2 Financial derivatives without exchange of capital										
- Long positions	17,770	66	1	19	496	513	860	-	-	-
- Short positions	23,824	15	9	103	202	397	581	-	-	-
C.3 Deposits and loans to be settled										
- Long positions	64,537	-	-	-	-	-	-	-	-	-
- Short positions	-	61,339	415	2,494	-	250	30	8	-	-
C.4 Irrevocable commitments to lend funds										
- Long positions	-	7,364	1,726	488	554	550	1,124	21,530	1,676	-
- Short positions	34,974	39	-	-	-	-	-	-	-	-
C.5 Financial guarantees given	31	-	-	-	-	-	17	1	1	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of capital										
- Long positions	-	-	-	-	-	178	140	113	661	-
- Short positions	-	-	-	-	-	178	140	113	661	-
C.8 Credit derivatives without exchange of capital										
- Long positions	3,126	-	-	-	-	-	-	-	-	-
- Short positions	3,176	-	-	-	-	-	-	-	-	-

Currency of denomination: Other currencies

(millions of euro)

Type/Residual maturity	On demand	Between 1 and 7 days	Between 7 and 15 days	Between 15 days and 1 month	Between 1 and 3 months	Between 3 and 6 months	Between 6 months and 1 year	Between 1 and 5 years	Over 5 years	Unspecified maturity
A. Cash assets	**9,698**	**3,479**	**2,764**	**2,429**	**5,159**	**3,752**	**3,328**	**20,257**	**20,031**	**50**
A.1 Government bonds	1	573	2	50	993	85	264	5,536	13,772	-
A.2 Other debt securities	403	26	41	100	158	71	360	4,368	3,423	-
A.3 Quotas of UCI	846	-	-	-	-	-	-	-	-	-
A.4 Loans	8,448	2,880	2,721	2,279	4,008	3,596	2,704	10,353	2,836	50
- Banks	6,460	201	1,078	329	1,311	1,028	784	736	72	23
- Customers	1,988	2,679	1,643	1,950	2,697	2,568	1,920	9,617	2,764	27
B. Cash liabilities	**10,142**	**8,232**	**3,366**	**1,528**	**2,610**	**1,280**	**1,566**	**5,184**	**13,427**	**-**
B.1 Deposits and current accounts	7,228	1,569	425	399	822	507	106	187	20	-
- Banks	1,657	1,124	132	210	177	44	48	187	20	-
- Customers	5,571	445	293	189	645	463	58	-	-	-
B.2 Debt securities	125	18	1,576	172	507	763	966	3,776	9,845	-
B.3 Other liabilities	2,789	6,645	1,365	957	1,281	10	494	1,221	3,562	-
C. Off-balance sheet transactions										
C.1 Financial derivatives with exchange of capital										
- Long positions	115	12,658	5,294	7,376	12,101	8,160	9,649	16,696	8,054	-
- Short positions	196	15,017	6,774	11,092	25,076	10,111	10,401	19,171	6,609	-
C.2 Financial derivatives without exchange of capital										
- Long positions	2,699	-	-	-	-	-	-	-	-	-
- Short positions	2,322	-	-	-	8	8	17	-	-	-
C.3 Deposits and loans to be settled										
- Long positions	316	-	-	-	-	-	-	-	-	-
- Short positions	-	30	33	-	56	-	1	-	197	-
C.4 Irrevocable commitments to lend funds										
- Long positions	-	-	17	54	366	965	2,019	12,942	2,642	-
- Short positions	18,799	206	-	-	-	-	-	-	-	-
C.5 Financial guarantees given	-	-	-	-	-	-	-	-	-	-
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	1,972	-	-	-	-	-	-	-	-	-
- Short positions	1,991	-	-	-	-	-	-	-	-	-

2. Self-securitisations

A brief illustration of the securitisations originated by Intesa Sanpaolo outstanding as at 31 December 2025 is shown below, in which the Bank subscribed all the securities issued by the related vehicle (self-securitisations), and which need not be shown in the tables of Part E, Section C "Securitisations" of the Notes to the financial statements.

Brera Sec S.r.l. (SEC 3)

In October 2021, a self-securitisation was structured, implemented through the sale of a loan portfolio originated by Intesa Sanpaolo to the vehicle company Brera Sec S.r.l. This transaction is the Group's third Residential Mortgage Backed Security ("RMBS") securitisation.
Intesa Sanpaolo has acquired a minority interest (5%) in the newly established vehicle, purchased on the market, and control (95%) is held by a corporate entity outside the Group (Dutch-registered foundation known as a Stichting).
Intesa Sanpaolo takes care of the accounting management for the vehicle, whereas the corporate administration will be carried out by Securitisation Services S.p.A.
The transaction involved the issuance by the vehicle company of two tranches of securities: a listed senior tranche, with a rating assigned by two rating agencies (Moody's and Morningstar DBRS) and an unlisted junior tranche without rating.
Both the senior security and the junior security were subscribed by Intesa Sanpaolo.
The senior security issued through the transaction, with a Moody's Aa2 and a Morningstar DBRS AA (Low) rating, can be used as collateral for refinancing operations in the Eurosystem.
The total sale consideration was 7.7 billion euro. The sale price of the portfolio was settled through the issuance of securities on 1 December 2021 for the same amount.
As at 31 December 2025, the value of the outstanding securities was 5,335 million euro for the senior securities and 725 million euro for the junior securities.

Brera Sec S.r.l. (SEC 4)

In September 2025, a new self-securitisation was structured, implemented through the sale of a loan portfolio originated by Intesa Sanpaolo to the vehicle company Brera Sec S.r.l. This transaction is the Group's fourth Residential Mortgage Backed Security ("RMBS") securitisation.
Intesa Sanpaolo takes care of the accounting management for the vehicle, whereas the corporate administration will be carried out by Securitisation Services S.p.A.
The transaction involved the issuance by the vehicle company of two tranches of securities: a listed senior tranche, with a rating assigned by two rating agencies (Moody's and Morningstar DBRS) and an unlisted junior tranche without rating.
Both the senior security and the junior security were subscribed by Intesa Sanpaolo.
The senior security issued through the transaction, with a Moody's Aa2 and a Morningstar DBRS A (High) rating, can be used as collateral for refinancing operations in the Eurosystem.
The total sale consideration was 8.4 billion euro. The sale price of the portfolio was settled through the issuance of securities on 5 November 2025 for the same amount.
As at 31 December 2025, the value of the outstanding securities was 7,630 million euro for the senior securities and 801 million euro for the junior securities.

Clara Sec S.r.l.

In 2020, a self-securitisation was structured involving receivables arising from performing personal loans within the consumer credit area and disbursed to consumer households, originated by Intesa Sanpaolo to the vehicle company Clara Sec S.r.l.
The securitisation is a revolving transaction and Intesa Sanpaolo has the option to sell the vehicle further loan portfolios with similar characteristics and quality, which the Vehicle will purchase by drawing on the receipts generated by the portfolio segregated over time.
Intesa Sanpaolo has acquired a minority interest (5%) in the newly established vehicle, which was purchased on the market, and control (95%) will remain with an entity from outside the Group (Dutch-registered foundation known as a Stichting).
Intesa Sanpaolo takes care of the accounting management for the vehicle, whereas the corporate administration will be carried out by Securitisation Services S.p.A.
The transaction involved the issuance by the vehicle company of two tranches of securities: a listed senior tranche, with a rating assigned by two rating agencies (Moody's and Morningstar DBRS) and an unlisted junior tranche without rating.
Both the senior security and the junior security were subscribed by Intesa Sanpaolo.
The senior security issued through the transaction, with a Moody's A1 and a Morningstar DBRS AA (Low) rating, can be used as collateral for refinancing operations in the Eurosystem.
The total sale consideration was 7.2 billion euro. The sale price of the portfolio was settled through the issuance of securities on 23 June 2020 for the same amount.
In 2025, the following transactions were completed:
– in February, buyback of non-performing loans for 56.5 million euro;
– in March, sale for an amount of 593 million euro;
– in June, retrocession of loans for an amount of 56.8 million euro;
– in October, sale for an amount of 521 million euro.

As at 31 December 2025, the value of the outstanding securities was 6,350 million euro for the senior securities and 824 million euro for the junior securities.

Giada Sec S.r.l.

In November 2020, a self-securitisation was structured, implemented through the sale of a portfolio of loans, disbursed to companies belonging to the Small Business, SME and Corporate segment and originated by Intesa Sanpaolo, to the vehicle company Giada Sec. S.r.l.
The securitisation is a revolving transaction and Intesa Sanpaolo has the option to sell the vehicle further loan portfolios with similar characteristics and quality, which the Vehicle will purchase by drawing on the receipts generated by the portfolio segregated over time.
Intesa Sanpaolo has acquired a minority interest (5%) in the newly established vehicle, purchased on the market, and control (95%) is held by a corporate entity outside the Group (Dutch-registered foundation known as a Stichting).
Intesa Sanpaolo takes care of the accounting management for the vehicle, whereas the corporate administration will be carried out by Securitisation Services S.p.A.
The transaction involved the issuance by the vehicle company of two tranches of securities: a listed senior tranche, with a rating assigned by two rating agencies (Moody's and Morningstar DBRS) and an unlisted junior tranche without rating.
Both the senior security and the junior security were subscribed by Intesa Sanpaolo.
The senior security issued through the transaction, with a Moody's Aa3 and a Morningstar DBRS A (High) rating, can be used as collateral for refinancing operations in the Eurosystem.
The total sale consideration was 10.1 billion euro. The sale price of the portfolio was settled through the issuance of securities on 21 December 2020 for the same amount.
In 2025, the following transactions were completed:
– in February, buyback of non-performing loans for 58.4 million euro;
– in April, sale for an amount of 1.5 billion euro;
– in September, sale for an amount of 2.7 billion euro.

As at 31 December 2025, the value of the outstanding securities was 6,610 million euro for the senior securities and 3,485 million euro for the junior securities.
The transaction is due to be extinguished in 2026, with the full repurchase of the loan portfolio in July and the completion of the closure on the payment date of 4 September 2026.

Giada Sec S.r.l. (GIADA BIS)

In October 2022, a new self-securitisation was structured, implemented through the sale of a loan portfolio originated by Intesa Sanpaolo, disbursed to small and medium enterprises ("SMEs"), including sole proprietorships and loans granted to Corporate customers not belonging to the large Corporate segment, to the special purpose vehicle Giada Sec. S.r.l.

The securitisation is a revolving transaction and Intesa Sanpaolo has the option to sell the vehicle further loan portfolios with similar characteristics and quality, which the Vehicle will purchase by drawing on the receipts generated by the portfolio segregated over time.

Intesa Sanpaolo takes care of the accounting management for the vehicle, whereas the corporate administration will be carried out by Securitisation Services S.p.A.

The transaction involved the issuance by the vehicle company of two tranches of securities: a listed senior tranche, with a rating assigned by two rating agencies (Moody's and Morningstar DBRS) and an unlisted junior tranche without rating.

Both the senior security and the junior security were subscribed by Intesa Sanpaolo.

The senior security issued through the transaction, with a Moody's Aa3 and a Morningstar DBRS A (High) rating, can be used as collateral for refinancing operations in the Eurosystem.

The total sale consideration was 15.2 billion euro. The sale price of the portfolio was settled through the issuance of securities on 5 December 2022 for the same amount.

In 2025, the following transactions were completed:

– in February, buyback of non-performing loans for 98.4 million euro;
– in May, sales for an amount of 2.2 billion euro.

As at 31 December 2025, the value of the outstanding securities was 10,250 million euro for the senior securities and 4,940 million euro for the junior securities.

The transaction is due to be extinguished in 2026, with the full repurchase of the loan portfolio in June and the completion of the closure on the payment date of 16 July 2026.

(millions of euro)

Vehicle	Type of security issued	Type of asset securitised	External rating	Principal as at 31.12.2025
BRERA SEC S.r.l. (SEC 3)				
of which issued in euro				**6,060**
Class A RMBS F/R Notes	Senior	Residential mortgage loans	Moody's Aa2 / Morningstar DBRS AAL	5,335
Class B RMBS Fixed Rate and Additional Return Notes	Junior	Residential mortgage loans	no rating	725
BRERA SEC S.r.l. (SEC 4)				
of which issued in euro				**8,431**
Class A RMBS F/R Notes	Senior	Residential mortgage loans	Moody's Aa2 / Morningstar DBRS AH	7,630
Class B RMBS Fixed Rate and Additional Return Notes	Junior	Residential mortgage loans	no rating	801
CLARA SEC S.r.l.				
of which issued in euro				**7,174**
Class A Asset Backed F/R Notes	Senior	Personal loans	Moody's A1/ Morningstar DBRS AAL	6,350
Class B Asset Backed F/R Notes	Junior	Personal loans	no rating	824
GIADA SEC S.r.l.				
of which issued in euro				**10,095**
Class A Asset Backed F/R Notes	Senior	Receivables from Smal business, SME and corporate customers	Moody's Aa3 / Morningstar DBRS AH	6,610
Class B Asset Backed F/R Notes	Junior	Receivables from Smal business, SME and corporate customers	no rating	3,485
GIADA SEC S.r.l. (Giada BIS)				
of which issued in euro				**15,190**
Class A Asset Backed F/R Notes	Senior	Receivables from Smal business, SME and corporate customers	Moody's Aa3 / Morningstar DBRS AH	10,250
Class B Asset Backed F/R Notes	Junior	Receivables from Smal business, SME and corporate customers	no rating	4,940
TOTAL				**46,950**

During 2025, the Brera Sec S.r.l. (SEC 2) self-securitisation, structured in 2019, was extinguished.

SECTION 5 – OPERATIONAL RISK

QUALITATIVE INFORMATION

The qualitative information, including legal risk and the tax disputes, is contained in Part E of the Notes to the consolidated financial statements.

QUANTITATIVE INFORMATION

From January 2025, the new CRR3/Basel 4 regulatory framework changed the methodology for calculating the prudential capital requirement, eliminating the possibility of using internal models and introducing a new, single standardised calculation method, referred to as the Standardised Approach (SA).

Under the new rules, described in detail in Part E of the Notes to the consolidated financial statements, the individual capital requirement of Intesa Sanpaolo S.p.A. amounted to 2,732 million euro.

Part F – Information on capital

SECTION 1 – PARENT COMPANY'S SHAREHOLDERS' EQUITY

A. Qualitative information

Qualitative information on capital and capital management policies is contained in Part F of the Notes to the consolidated financial statements.

Own Funds, risk-weighted assets (RWAs) and solvency ratios as at 31 December 2025 were calculated according to the harmonised rules and regulations for banks and investment firms contained in Directive 2013/36/EU (CRD) and in Regulation (EU) 575/2013 (CRR) as amended, which transpose into the European Union the standards defined by the Basel Committee on Banking Supervision (the Basel Framework), and on the basis of Bank of Italy Circular 285.
The CRR was then supplemented by Commission Delegated Regulation (EU) No. 241/2014 (as amended) containing the regulatory technical standards for own funds and eligible liabilities requirements for institutions.
On 19 June 2024, Regulation (EU) 2024/1623 (also known as "CRR3") which, in transposing the principles of Basel 4 into European law, amending Regulation (EU) 575/2013 (CRR) as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor was published in the Official Journal of the European Union. The most significant changes in the new regulatory framework have been applied since 1 January 2025, save for the provisions on the FRTB (Fundamental Review of Trading Book) framework relating to Market Risk, which will, instead, apply from 1 January 2027, as provided by Delegated Regulation (EU) 2025/1496.

Regulation (EU) 2019/630 of 17 April 2019 amending the CRR has been in effect since 26 April 2019; the Regulation introduces a deduction from CET 1 in the event of insufficient minimum coverage of the losses on non-performing exposures (minimum loss coverage), determined on the basis of differentiated provisioning percentages for guaranteed and non-guaranteed exposures, as well as a pre-established calendar by which to achieve this coverage objective (calendar provisioning).

With effect from 30 September 2019, following permission from the ECB, Intesa Sanpaolo calculates capital ratios applying the so-called Danish Compromise - under which insurance investments are risk weighted instead of being deducted from capital.

Finally, with effect from December 2020, Intesa Sanpaolo has applied Commission Delegated Regulation (EU) 2020/2176, which amends Commission Delegated Regulation (EU) 241/2014 as regards the deduction of software assets from Common Equity Tier 1 items. The above Regulation, which is intended to support the transition to a more digitalised banking sector, introduced the concept of prudential amortisation applied to all software assets over a three-year period, regardless of their estimated useful lives for accounting purposes.

B. Quantitative information

B.1 Parent Company's shareholders' equity: breakdown

(millions of euro)

Captions/Amounts	31.12.2025	31.12.2024
1. Share capital	10,369	10,369
2. Share premium reserve	24,437	27,760
3. Reserves	4,996	5,024
retained earnings:	3,530	3,723
a) legal reserve	*1,605*	*1,605*
b) statutory reserve	-	-
c) treasury shares	-	-
d) other	*1,925*	*2,118*
other	1,466	1,301
3.5 Interim dividend (-)	-3,234	-3,022
4. Equity instruments	7,686	8,688
5. (Treasury shares)	-126	-80
6. Valuation reserves	885	26
- Equity instruments measured at fair value through other comprehensive income	-207	-277
- Hedges of equity instruments measured at fair value through other comprehensive income	-	-
- Financial assets (other than equities) measured at fair value through other comprehensive income	-1,161	-1,924
- Property and equipment	1,777	1,771
- Intangible assets	-	-
- Hedges of foreign investments	-	-
- Cash flow hedges	-145	-176
- Hedging instruments (not designated elements)	-	-
- Foreign exchange differences	-	-
- Non-current assets held for sale and discontinued operations	-	-
- Financial liabilities designated at fair value through profit or loss (change in own credit rating)	-229	-190
- Actuarial gains (losses) on defined benefit plans	-149	-177
- Share of valuation reserves connected with investments carried at equity	-	-
- Legally-required revaluations	999	999
7. Net income (loss)	6,844	5,604
Total	**51,857**	**54,369**

With regard to the change in the reserve 2. Share premium, see the information provided in Part B – Section 12 – 12.3 Share capital: Other information.

B.2 Valuation reserves of financial assets measured at fair value through other comprehensive income: breakdown

(millions of euro)

Assets/values	Total 31.12.2025		Total 31.12.2024	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	128	-1,285	17	-1,933
2. Equity securities	142	-349	131	-408
3. Loans	17	-21	10	-18
Total	**287**	**-1,655**	**158**	**-2,359**

The caption Loans include includes the reserve for tax credits of the HTCS business model.

B.3 Valuation reserves of financial assets measured at fair value through other comprehensive income: annual changes

(millions of euro)

	Debt securities	Equity securities	Loans
1. Opening balance	**-1,916**	**-277**	**-8**
2. Positive changes	**1,045**	**147**	**29**
2.1. Fair value increases	991	138	21
2.2. Value adjustments for credit risk	9	X	7
2.3. Transfer to the income statement of negative reserves to be realized	44	X	-
2.4. Transfers to other equity (capital securities)	-	9	-
2.5. Other changes	1	-	1
3. Negative changes	**-286**	**-77**	**-25**
3.1. Fair value reductions	-84	-18	-25
3.2. Write-backs for credit risk	-1	-	-
3.3. Reclassification through profit or loss of positive reserves: following disposal	-201	X	-
3.4. Transfers to other equity (capital securities)	-	-11	-
3.5. Other changes	-	-48	-
4. Closing balance	**-1,157**	**-207**	**-4**

B.4 Valuation reserves relating to the defined benefit plans: annual changes

During the year, the reserves in question recorded a positive change in items taken to the statement of comprehensive income of 28 million euro (of which 16 million euro relating to pension funds and 12 million euro to employee termination indemnities). As at 31 December 2025 there was an overall negative reserve equal to 149 million euro for defined benefit plans.

SECTION 2 – OWN FUNDS AND CAPITAL RATIOS

Reference is made to the Intesa Sanpaolo Group's "Basel 3 Pillar 3" public disclosure as at 31 December 2025 for the disclosure on own funds and capital adequacy.

Part G – Business combinations

SECTION 1 – TRANSACTIONS CARRIED OUT IN THE YEAR

During the year, no business combinations were undertaken, pursuant to IFRS 3, involving the acquisition of control over businesses or legal entities.

Annual changes in goodwill

(millions of euro)

	31.12.2025
Initial goodwill	**67**
Increases	**-**
- Goodwill recorded in the year	-
- Positive foreign exchange differences and other changes	-
Decreases	**-**
- Impairment recorded in the year	-
- Disinvestments	-
- Negative foreign exchange differences and other changes (reclassified among assets held for sale)	-
Final goodwill	**67**

SECTION 2 – TRANSACTIONS CARRIED OUT AFTER THE END OF THE YEAR

No business combinations within the scope of IFRS 3 have been undertaken since the end of 2025.

SECTION 3 – RETROSPECTIVE ADJUSTMENTS

No adjustments are recognised in the current year that relate to business combinations that occurred in previous reporting periods.

Part H – Transactions with related parties

A) TRANSACTIONS WITH RELATED PARTIES

1. Procedural features

The Board of Directors of Intesa Sanpaolo S.p.A. adopted, in compliance with the procedures set out by regulations, the Group Procedures regulating the conduct of Transactions with Related Parties of Intesa Sanpaolo S.p.A., Associated Entities of the Group and Relevant Parties pursuant to Art. 136 of the Consolidated Law on Banking.
These Procedures, most recently updated in December 2024, take into account both the rules issued by Consob, pursuant to Article 2391-bis of the Italian Civil Code, and the supervisory provisions introduced by the Bank of Italy on 12 December 2011 in terms of risk assets and conflicts of interest of banks and banking groups with respect to "Associated Entities", issued in accordance with Article 53, paragraphs 4 et seq. of the Consolidated Law on Banking and ICRC (Interdepartmental Committee for Credit and Savings) Resolution 277 of 29 July 2008, as well as the rules established by Article 136 of the Consolidated Law on Banking.

The Procedures apply to the entire Intesa Sanpaolo Group with respect to the following aspects:
– the criteria for identifying Related Parties and Associated Entities;
– the process of analysis, decision-making and information for corporate bodies in connection with transactions with Related Parties and Associated Entities;
– market disclosure for transactions with Related Parties;
– the prudential limits and periodic reporting obligations towards the Bank of Italy for at-risk assets in respect of Associated Entities;
– the rules governing organisational controls and safeguards;
– the general rules for disclosure and abstention about the management of the personal interests by management body members, employees and company staff, including other than Associated Entities.

Pursuant to the Procedures, the following are considered Related Parties of Intesa Sanpaolo: parties that exercise significant control or influence, subsidiaries and associates, joint ventures, pension funds of the Group, Management Body Members and Key Managers of Intesa Sanpaolo and their close family members and significant shareholdings.
The set of Associated Entities of the Group consists of the Associated Entities of each bank of the Group (including the Parent Company) and each monitored significant intermediary with own funds greater than 2% of the total of consolidated own funds. The following are considered to be Associated Entities for each bank or monitored significant intermediary of the Group: i) shareholders that exercise control, significant influence or that are required to request authorisation pursuant to Article 19 of the Consolidated Law on Banking or that may appoint a member of the management or strategic supervisory body and the relative corporate groups; ii) subsidiaries, associated companies subject to joint control and associates, as well as the companies they control, also jointly with others; iii) management body members and their relative close family members up to the second degree and significant shareholdings.

As a form of self-regulation, the Bank has extended the regulations on transactions with Related Parties, as well as on risk assets and conflicts of interest with Associated Entities to:
– Intesa Sanpaolo shareholders and their groups that hold an equity investment in the share capital with voting rights of the Bank that exceeds the minimum threshold set out in regulations on the communication of significant equity investments in listed companies, calculated considering only shares owned or under management, as well as entities jointly controlled by them with others;
– companies in which management body members of Intesa Sanpaolo or their close family members i) hold executive offices or the office of chair of the management body; ii) hold a qualifying equity investment equal to or exceeding 10% of the capital or voting rights of that entity, or a position of significant influence;
– companies which the Group has notable investments in and financial links with, attributable to at least two of the following indicators:
  - the counterparty holds an equity investment in Intesa Sanpaolo's capital between 1% and the minimum threshold set out in regulations on the communication of significant equity investments in listed companies;
  - an entity of the Intesa Sanpaolo Group holds an equity investment in the counterparty exceeding 10% of the voting rights;
  - significant credit exposure of the Group to the counterparty.

This approach allows closer monitoring of transactions with the main entities in potential conflict of interest risk.

The Procedures set forth the assessment process that must be followed by the Parent Company and subsidiary companies when carrying out transactions with Related Parties of Intesa Sanpaolo, Associated Entities of the Group and Relevant Parties pursuant to Art. 136 of the Consolidated Law on Banking, to ensure appropriateness of the transactions. The Procedures also require detailed examination of the reasons and interests behind the transaction, their effects on financials and the terms of the transaction.

In line with the regulations implemented by Consob and by the Bank of Italy, a regime of full or partial exemptions from the application of the regulations is also envisaged.
With regard to the decision-making for transactions with Related Parties of Intesa Sanpaolo and Associated Entities of the Group, the procedure distinguishes between:
– transactions involving smaller amounts: with a value of less than or equal to 250 thousand euro for individuals and 1 million euro for persons other than natural persons (excluded from application of the regulations);
– less significant transactions: with a value higher than the small-amount thresholds (250 thousand euro for individuals and 1 million euro for persons other than natural persons) but lower than or equal to the most significant thresholds indicated below;
– most significant transactions: with a value higher than the threshold of 5% of the indicators defined by Consob and by the Bank of Italy (approximately 2.9 billion euro for the Intesa Sanpaolo Group);
– transactions attributed to the shareholders' meeting, in accordance with the law or with the Articles of Association.

The process for the approval of transactions with Related Parties of Intesa Sanpaolo and Associated Entities of the Group reserves an important role for the Committee for Transactions with Related Parties, which meets the independence requirements laid down in the Corporate Governance Code for Listed Companies and Article 148 of the Consolidated Law on Finance, as well as the independence requirements contemplated by applicable laws and regulations, including those specific to the banking sector (Italian Ministerial Decree 169/2020). The Committee for Transactions with Related Parties can make use of independent experts, where considered appropriate, according to the degree of importance of the transaction, its specific economic or structural characteristics and the nature of the related party or associated entity.
For most significant transactions, the Committee must be promptly involved in the analysis and negotiation phases, receiving a complete and timely flow of information, with the right of the Committee to request additional information and make observations.
All transactions – that are not exempt based on the Procedures – undertaken by the Parent Company with one of its related parties or associated entities are subject to approval by the Board, after consulting the Committee for Transactions with Related Parties.
The Procedures set out specific controls in the event that a less significant or most significant transaction is approved in spite of a negative opinion of the Committee for Transactions with Related Parties.

Transactions undertaken by subsidiaries with Related Parties of Intesa Sanpaolo and Associated Entities of the Group must be approved by the Board of Directors of the subsidiaries concerned, subject to prior authorisation from the Parent Company released in accordance with the procedure described above.

The Procedures also define the general criteria for the information to be provided, at least quarterly – also pursuant to Article 150 of the Consolidated Law on Finance – to the directors and the control body regarding transactions with Related Parties and Associated Entities completed in the reference period by the Parent Company or by its subsidiaries. All of the above is aimed at providing a complete overview of the transactions of greater importance, as well as the volumes and the main features of all those delegated. Reports must include all transactions, even if exempt from the decision-making procedure, for amounts greater than the small-amount thresholds. Transactions of less significant importance in the form of intragroup loans and bank funding are excluded from this requirement (provided they do not regard a subsidiary with significant interests of another Related Party or Associated Entity and are not carried out at market or standard conditions). For ordinary intragroup less significant transactions carried out at market conditions, reporting is on an aggregate annual basis.

Transactions undertaken by Italian subsidiary banks with Related Parties and Associated Entities of the Group that have not been considered exempt must, subject to authorisation by the Parent Company, be approved by the relative Board of Directors, upon obtaining the opinion of a Committee of independent directors set up within the Board of Directors of the bank itself. Furthermore, specific reporting rules apply to transactions by the Bank's Bodies.

The Procedures also apply to transactions with Relevant Persons pursuant to Art. 136 of the Consolidated Law on Banking, which must be applied by all the Italian Banks of the Intesa Sanpaolo Group, including the Parent Company. This provision requires the adoption of a more thorough decision-making procedure (unanimous decision by the management body, excluding the vote of the interested member, and favourable vote of members of the control body) in order to allow the bank management body members to contract obligations, directly or indirectly, with the bank of which they act as management body members.
Furthermore, the requirements envisaged by the Italian Civil Code (Article 2391) and Article 53 of the Consolidated Law on Banking governing directors' personal interests are confirmed.
In particular, Article 2391 of the Italian Civil Code requires each Board Member to report every interest held, in his/her own name or on behalf of third parties, that may be significant in carrying out his/her management function, with reference to a specific transaction. In accordance with the abovementioned provision, the Board has jurisdiction over decisions regarding transactions – including those with Related Parties – in which the Managing Director possesses an interest on his/her own account or through a third party and must therefore abstain from the decision, entrusting the Board as per Article 2391 of the Italian Civil Code.
In addition, Article 53 of the Consolidated Law on Banking requires banks' directors to abstain from voting on resolutions where they have a conflict of interest on their own behalf or on behalf of third parties.
Finally, the Procedures set forth the documentation and disclosure requirements vis-a-vis competent authorities for information on loans provided to related parties by Group banks headquartered in a European Member State, as defined by the EU regulations (Article 88 of Directive 2013/36, as amended).

2. Information on balances with related parties

Receivable and payable balances with related parties as at 31 December 2025 – other than those intragroup – amount to a total that is insignificant compared to the size of the Bank's capital base. Likewise, the weight of income and charges with related parties on the Parent Company's operating margin is insignificant.

	31.12.2025	
	Amount (millions of euro)	Impact (%)
Total financial assets (1)	52,699	8.4
Total other assets (2)	647	2.8
Total financial liabilities (3)	35,370	5.8
Total other liabilities (4)	282	2.3

(1) Including captions 10, 20, 30, 40 and 70 of the Balance sheet assets

(2) Including captions 50, 60, 110 and 120 of the Balance sheet assets

(3) Including captions 10, 20, and 30 of the Balance sheet liabilities

(4) Including captions 40, 50, 70, 80, 90 and 100 of the Balance sheet liabilities

	31.12.2025	
	Amount (millions of euro)	Impact (%)
Total interest income	709	3.6
Total interest expense	1,040	11.2
Total fee and commission income	2,389	34.1
Total fee and commission expense	132	10.7
Total operating costs (1)	325	3.7

(1) Including caption 160 of the Income statement

The table below reports the main terms of reference of transactions with each category of related party, as classified by IAS 24 (referring to the subsequent paragraph for information relating to compensation to the members of the management and control bodies), with the category of Significant Shareholders of Intesa Sanpaolo and their corporate groups (subsidiaries also controlled jointly with others, parent companies and companies subject to joint control) with an equity investment with voting rights in the Bank greater than the minimum threshold set out in regulations on communications of significant equity investments in listed companies calculated only based on shares owned or under management, as well as with the additional subjects included in the scope set as a form of self-regulation.
With regard to Equity Investments, please see the tables in the Notes to the Parent Company's financial statements – Part B – Information on the Parent Company's balance sheet – Assets – Section 7.
The following table does not show the impact of related party transactions on the Group's cash flows, as this was not significant.
For greater clarity and in line with the reports sent to the Supervisory Authorities, note that the off-balance sheet items were detailed on two separate columns by grouping on one side the guarantees/commitments given and on the other the guarantees/commitments received. The first category also includes the revocable commitments issued totalling 63 billion euro, almost entirely to subsidiaries.

(millions of euro)

	SUBSIDIARIES				Companies subject to joint control and their subsidiaries	Associates and their subsidiaries	Board Members and General Managers, Key Managers and their related parties	Pension funds	TOTAL	Shareholders (*)	Companies which the Group has notable investments in and financial links with (**)	Other companies linked to Board Members and General Managers (***)
	100%-owned subsidiaries belonging to the banking group	*subsidiaries not 100%-owned and belonging to the banking group*	*subsidiaries not belonging to the banking group*	*TOTAL*								
Cash and cash equivalents	26	48	-	74	-	-	-	-	74	-	-	-
Financial assets measured at fair value through profit or loss	666	169	44	879	-	9	-	-	888	9	99	-
a) financial assets held for trading	*666*	*169*	*41*	*876*	-	-	-	-	*876*	*9*	-	-
b) financial assets designated at fair value	-	-	-	-	-	-	-	-	-	-	-	-
c) other financial assets mandatorily measured at fair value	-	-	*3*	*3*	-	*9*	-	-	*12*	-	*99*	-
Financial assets measured at fair value through other comprehensive income	793	-	-	793	-	-	-	-	793	-	436	-
Financial assets measured at amortised cost	14,729	2,686	7,242	24,657	36	587	11	-	25,291	-	85	-
a) due from banks	10,802	2,670	-	13,472	-	-	-	-	13,472	-	-	-
b) loans to customers	3,927	16	7,242	11,185	36	587	11	-	11,819	-	85	-
Other assets	346	114	155	615	1	31	-	-	647	-	-	-
Equity investments	16,487	1,153	5,428	23,068	6	1,950	-	-	25,024	-	-	-
Financial liabilities measured at amortised cost	30,527	917	1,915	33,359	80	820	22	39	34,320	76	251	1
a) due to banks	*28,869*	*903*	-	*29,772*	-	*8*	-	-	*29,780*	-	-	-
b) due to customers	*1,658*	*14*	*1,915*	*3,587*	*80*	*812*	*22*	*39*	*4,540*	*76*	*251*	*1*
Financial liabilities held for trading	468	205	46	719	-	-	-	-	719	-	-	-
Financial liabilities designated at fair value	2	-	1	3	-	-	-	-	3	-	-	-
Other financial liabilities	130	7	57	194	1	57	-	-	252	15	15	-
Guarantees and commitments given	58,171	5,939	7,795	71,905	98	244	2	-	72,249	43	102	-
Guarantees and commitments received	63	303	135	501	20	37	-	-	558	1	-	-

(*) As a form of self-regulation, shareholders and their groups that hold a stake in the share capital that exceeds the minimum threshold set out in regulations on the communication of significant shareholdings in listed companies, calculated considering only shares owned or under management, as well as entities jointly controlled by them.

(**) As a result of self-regulation, companies that meet the conditions of at least two of these indicators: i) the counterparty holds a stake in Intesa Sanpaolo's capital with an amount between 1% and the minimum threshold set out in regulations on the communication of significant shareholdings in listed companies; ii) an entity of the ISP Group holds a stake in the counterparty exceeding 10% of the voting rights; iii) significant credit exposure of the Group to the counterparty. Compared to the previous annual report, the amounts do not include the transactions with the JP Morgan Group, which is no longer included among relevant parties.

(***) As a form of self-regulation, companies in which management body members of Intesa Sanpaolo or their close family members i) hold executive offices or the office of chair of the management body; ii) hold a qualifying holding equal to or exceeding 10% of the capital or voting rights of that entity, or on which those persons may exercise a significant influence.

For the illustration of the associated companies and companies under joint control - and the companies controlled by them - that are most significant at Group level, see the description in the corresponding paragraph of the Notes to the consolidated financial statements.

3. Information on transactions with related parties

Most significant transactions

During the year, the Parent Company did not carry out any transactions that qualified as non-ordinary "most significant transactions" and/or at non-market or non-standard conditions subject – in accordance with the Group Procedures regulating the conduct of Transactions with Related Parties of Intesa Sanpaolo S.p.A., Associated Entities of the Group and Relevant Parties pursuant to Art. 136 of the Consolidated Law on Banking – to the obligation to publish a market disclosure document.

Transactions exempt from this obligation included:
– the early closure of the Brera SEC securitisation – a company subject to significant influence from Intesa Sanpaolo;
– the structuring of a new self-securitisation with the same company, aimed at expanding the portfolio of retained securities eligible for Eurosystem refinancing operations.

Please note that the most significant transactions in the year are those that exceeded the threshold of 5% of Own Funds at consolidated level or of the other indicators defined by the Consob regulation.

Most significant intragroup transactions

With regard to the most significant intragroup transactions – exempt pursuant to the above internal Procedures from the strict decision-making procedure and the obligation to publish a market disclosure document, unless other related parties hold significant interests in the subsidiary – there were no transactions of this kind carried out during the year.

Other significant transactions

The transactions entered into with related parties fall within the scope of Intesa Sanpaolo's ordinary activities and are usually performed at market or standard conditions, based on valuations of mutual economic convenience, in line with the internal procedures mentioned above.

With respect to transactions with Shareholders – which hold equity investments in Intesa Sanpaolo S.p.A. with voting rights greater than the minimum threshold set out in regulations on communications of significant shareholdings in listed companies calculated solely based on shares owned or under management, and with other significant shareholders because of the significant shareholding or financial relationships present – these included the following transactions in particular:

– transactions in OTC financial instruments conducted by Intesa Sanpaolo S.p.A. in the course of its ongoing activities with companies of the Blackrock Finance Inc. group, as well as the Compagnia di Sanpaolo, Cassa di Risparmio di Firenze and Cariplo foundations;
– service agreements entered into by Intesa Sanpaolo S.p.A. with companies of the BlackRock Finance Inc. group, as part of initiatives aimed at reducing climate emissions and maintaining applications used within the Group;
– ordinary credit lines granted to companies of the BlackRock Finance Inc. group, in connection with the acquisition of the HPS funds and the Global Infrastructure Partners V fund, and to Fondazione Cariplo;
– the signing of an agreement with Fondazione Compagnia di Sanpaolo aimed at promoting social and local community development;
– the purchase of part of the investment held in B.F. S.p.A. by Fondazione Cariplo, resulting in an increase in Intesa Sanpaolo's interest from 3.32% to 4.31% of the share capital;
– the amendment of the shareholders' agreements between all the Redo SGR shareholders, including Fondazione Cariplo, as part of the withdrawal of Cassa Depositi e Prestiti S.p.A. from the shareholding;
– the amendment of the shareholders' agreements signed by Intesa Sanpaolo S.p.A. with all the F2i SGR shareholders, which also include Fondazione Cariplo;
– the signing of a partnership agreement with Fondazione Cariplo aimed at strengthening the Group's commitment to social initiatives and combating inequalities in Italy, in line with the objectives of the Business Plan.

Relations between Intesa Sanpaolo and the management body members, key managers and parties associated to them refer to the Group's normal business activities and are defined applying, where conditions recur, the terms reserved to all employees, in full respect and transparency of terms applied.

With regard to the transactions with jointly-controlled subsidiaries and associates, as well as with significant investees due to the presence of important equity and financial ties, mention should be made of:

– ordinary lending transactions in favour of ISM Investimenti S.p.A., Intermarine S.p.A., Mooney Group S.p.A., Gioia S.p.A., Cassa di Risparmio di Fermo S.p.A., Digit'ed S.p.A. and companies of the Camfin group;
– sales to Cassa di Risparmio di Fermo S.p.A. of portions of loans granted to third parties under ordinary syndication processes;
– the granting of new credit lines to Digit'ed S.p.A., Mooney Group S.p.A., CBI S.c.p.a. Società Benefit and companies of the Camfin group;
– the signing of a commercial partnership agreement with Grenke Locazione S.r.l.;
– the signing of supply agreements with Digit'ed S.p.A., Marketwall S.r.l., Rexer S.p.A. and CBI S.c.p.a. Società Benefit;
– transactions in OTC financial instruments with Cassa di Risparmio di Fermo S.p.A. and Futura Invest S.p.A.

Concerning the transactions with subsidiaries carried out in 2025, please note that these are normal internal business activities of a multifunctional banking group. They are usually regulated at the conditions at which the Parent Company accesses the reference markets, which are not necessarily the same conditions that would be applicable if the Group's counterparties operated independently. These conditions are, in any case, applied in compliance with the reputation and fairness criteria and with the aim of creating value for the Group.

Among intragroup transactions and with other entities consolidated line by line, attention should be drawn to:

– the support given by the Parent Company to the financial needs of the other Group companies by providing risk capital and loans and by subscribing securities issued by the subsidiaries;
– the channelling of foreign funding by specialist Group companies in favour of the Parent Company and, in part, of other subsidiaries;
– the Parent Company's investment of subsidiaries' liquidity;
– the structured finance transactions carried out within the Group;
– outsourcing arrangements, which govern services of an auxiliary nature rendered by the Parent Company to other Group companies;
– the agreements with Group companies on the distribution of products and/or services or, more generally, intragroup support and consultancy, including an insurance product distribution agreement with Intesa Sanpaolo Assicurazioni S.p.A.;
– a loan granted to an unrelated third party, intended for the acquisition of a property belonging to Risanamento S.p.A.

Intragroup transactions included:

– the granting of subordinated loans to Privredna Banka Zagreb, as part of the capital strengthening plan for PBZ;
– the sale of a business line of Reyl & Cie S.A. to a Swiss newco wholly owned by Intesa Sanpaolo S.p.A.;

- the transfer of the investment held in Private Equity International S.A. by Intesa Sanpaolo S.p.A. to Intesa Sanpaolo Holding International S.A.;
- the repurchase by Intesa Sanpaolo from Fideuram – Intesa Sanpaolo Private Banking S.p.A. of shares in Eurizon Capital SGR as part of the project for the restructuring of the Group's collective and asset management activities;
- the recapitalisation of Intesa Sanpaolo Rent Foryou S.p.A. as part of the project that led to its sale to the Grenke Locazione group;
- the shareholder loans to Qingdao Yicai Fund Distribution Co. Ltd. and Anti Financial Crime Digital Hub S.C.A.R.L.

Additional information on the Intesa Sanpaolo Group's reorganisation operations is provided in Part G of the Notes to the consolidated financial statements and of the Notes to the Parent Company's financial statements. For more information on changes in the Parent Company's equity investment portfolio, see Section 7 of the Notes to the financial statements – Part B – Information on the balance sheet – Assets.

The operations with pension funds included transactions in OTC financial instruments carried out by Intesa Sanpaolo S.p.A., as part of its ordinary activities, with the Fondo Pensioni per il Personale Cariplo and the Defined-Benefit Pension Fund of the Intesa Sanpaolo Group.

For information on the operations with the Special Purpose Entities over which the Group exercises control even in the absence of an equity investment, consolidated in accordance with IFRS 10, see the Notes to the consolidated financial statements - Part E – Information on risks and the relative hedging policies.

Other significant information

With reference to the equity investments in associates or companies subject to joint control, value adjustments/impairment losses were recognised for a total of around 363 million euro, mainly attributable to Back2Bonis for 97 million euro, Lendlease Msg Heartbeat for 87 million euro, UTP Restructuring Corporate for 72 million euro, Efesto for 25 million euro, RSCT Fund – Loans Sub-Fund for 21 million euro, UTP Italia Fund – Loans Sub-Fund for 11 million euro, Idea CCR – Loans Sub-Fund for 15 million euro, Intrum Italy S.p.A. for 11 million euro, Retail & Leisure Fund for 10 million euro and other minor items for 14 million euro.

For Pension Funds in which Intesa Sanpaolo is co-obliged by virtue of guarantees given, during the year uses were made related to the individual capitalisation offers for the supplementary benefits and the streamlining of the Pension Funds, as indicated in the Notes to the financial statements – Part B – Information on the Balance Sheet – Liabilities, Post employment defined benefit plans, to which reference is made.

Other significant subsequent events

There were no significant events after the end of the reporting period.

B) INFORMATION REGARDING COMPENSATION OF THE MEMBERS OF MANAGEMENT AND CONTROL BODIES AND KEY MANAGERS

In accordance with the provisions of IAS 24, within the current organisational structure of the Parent Company, the following – in addition to the members of the Board of Directors (including the members of the Management Control Committee and the Managing Director and CEO) – are considered "Key Managers": the Manager responsible for preparing the Company's financial reports, the Heads of the Divisions, the Chief Officers responsible for Governance or Control Areas, the Deputy of the Head of the IMI Corporate & Investment Banking Business Division, and the Heads of the Head Office Departments reporting directly to the Managing Director and CEO or the Chair of the Board of Directors.

The following table shows the amounts of the main benefits paid in 2025 to members of the Management and Control Bodies, as well as to other Key Managers who fall within the notion of "related party". This also includes the maximum amounts of the variable portion of remuneration which shall be paid in cash and/or shares of the Parent Company, based on the Group's remuneration and incentive policy, subject to the verification of achievement of the assigned targets and the decisions of the competent bodies of the Parent Company.

(millions of euro)

	MANAGEMENT BODIES/ CONTROL BODIES[1]		OTHER MANAGERS [2]		TOTAL as at 31.12.2025	
	Amount due	Amount paid	Amount due	Amount paid	Amount due	Amount paid
Short-term benefits [3]	7	7	39	31	46	38
Post-employment benefits (4)	-	-	6	6	6	6
Other long-term benefits [5]	-	-	8	-	8	-
Termination benefits [6]	-	-	-	-	-	-
Share-based payments [7]	-	-	24	-	24	-
Total	**7**	**7**	**77**	**37**	**84**	**44**

(1) Figures referring to 19 positions held at year-end.

(2) Figures referring to 25 positions held at year-end.

(3) Includes fixed and variable remuneration of Directors that may be treated as equivalent to labour cost and social security charges paid by the company for its employees.

(4) Includes company contribution to pension funds and provisions for employee termination indemnities pursuant to law and company regulations.

(5) Includes an estimate of provisions for employee seniority bonuses.

(6) Includes benefits due under the employment contract for termination of employment and non-competition agreements.

(7) Includes the cost referring to the variable portion of short-/long-term remuneration to be paid in Intesa Sanpaolo shares.

As previously noted in Part H of the Notes to the consolidated financial statements, detailed information on remuneration policies, pursuant to Art. 123 ter of the Consolidated Law on Finance, is published annually in the "Report on Remuneration", which includes:

– a detailed indication of the compensation paid to the members of the management and control bodies and, in aggregate, the Key Managers, as well as the stock option plans reserved for the members of the Board of Directors and Key Managers;
– the details and the evolution of the stock option plans relative to Key Managers;
– the shares of the Parent Company and subsidiaries held by the members of the Management and Control bodies, Key Managers and other associated entities.

Part I – Share-based payments

A. QUALITATIVE INFORMATION

Description of share-based payments

Annual incentive plan based on financial instruments

The Supervisory Provisions regarding remuneration and incentive policies and practices in banks and in banking groups, issued on 30 March 2011 (now integrated in Circular 285 of the Bank of Italy) required, inter alia, that a portion of annual incentives paid to "Risk Takers" be granted through the assignment of financial instruments, over a multi-year time horizon. As a result, the Intesa Sanpaolo Group sets up annual incentive plans linked to performance. In fulfilment of these plans:

– with regard to the results for 2020, and in implementation of the Shareholders' Meeting resolution of 28 April 2021, on 13 and 14 September 2021 the Group totally purchased - through its IMI Corporate & Investment Banking Division, in charge of the programme execution - 20,000,000 Intesa Sanpaolo ordinary shares (representing approximately 0.10% of the share capital of the Parent Company) at an average purchase price of 2.391 euro per share, for a total value of 47,822,401 euro. In addition, the purchase programme has been implemented in service of the former UBI Banca Group's shared-based payment incentive system for Risk Takers in regard to 2020 and residual shares from the former UBI Banca Group's incentive systems for previous years, as well as to grant severance payments to Risk Takers upon early termination of employment, as envisaged by the Supervisory Provisions;
– with regard to the results for 2021, and in implementation of the Shareholders' Meeting resolution of 29 April 2022, from 12 to 14 September 2022 the Group totally purchased – through its IMI Corporate & Investment Banking Division, in charge of the programme execution – 46,216,652 Intesa Sanpaolo ordinary shares (representing approximately 0.24% of the share capital of the Parent Company[417]) at an average purchase price of 1.8932 euro per share, for a total value of 87,496,321.48 euro. In addition, the purchase programme has been implemented in service of the Privredna Banka Zagreb (PBZ) Group's shared-based payment incentive system in regard to 2021 and the residual portions in financial instruments from previous plans, the Long-Term Incentive Plans reserved for the Financial Advisors of the Networks of the Fideuram - Intesa Sanpaolo Private Banking Group, as well as to grant severance payments upon early termination of employment;
– with regard to the results for 2022, and in implementation of the Shareholders' Meeting resolution of 28 April 2023, from 11 to 13 September 2023 the Group totally purchased – through its IMI Corporate & Investment Banking Division, in charge of the programme execution – 32,000,000 Intesa Sanpaolo ordinary shares (representing approximately 0.18% of the share capital of the Parent Company) at an average purchase price of 2.4697 euro per share, for a total value of 79,031,462.67 euro. The purchase programme has also been implemented in service of the incentive systems of several subsidiaries (i.e. the 2022 Incentive System of the Private Banking Network belonging to the Italy Network of Intesa Sanpaolo Private Banking; the 2022 Incentive System of the Relationship Managers belonging to the International Commercial Networks of the Fideuram – Intesa Sanpaolo Private Banking Group; and the 2022 Incentive System of the non-employee Financial Advisors belonging to the Commercial Networks of the Fideuram – Intesa Sanpaolo Private Banking Group) and any payment of consideration granted in conjunction with early termination of employment (severance);
– with regard to the results for 2023, and in implementation of the Shareholders' Meeting resolution of 24 April 2024, from 9 to 11 September 2024 the Group totally purchased – through its IMI Corporate & Investment Banking Division, in charge of the programme execution – 21,000,000 Intesa Sanpaolo ordinary shares (representing approximately 0.11% of the share capital of the Parent Company) at an average purchase price of 3.7154 euro per share, for a total value of 78,023,430.57 euro. The purchase programme has also been implemented in service of the incentive systems of several subsidiaries (i.e. the 2023 Incentive System of the Private Banking Network belonging to the Italy Network of Intesa Sanpaolo Private Banking; the 2023 Incentive System of the Relationship Managers belonging to the International Commercial Networks of the Fideuram – Intesa Sanpaolo Private Banking Group; and the 2023 Incentive System of the non-employee Financial Advisors belonging to the Commercial Networks of the Fideuram – Intesa Sanpaolo Private Banking Group) and any payment of consideration granted in conjunction with early termination of employment (severance);

[417] The percentage has been calculated, in compliance with the terms of the resolution approved at the Intesa Sanpaolo Shareholders' Meeting of 29 April 2022, on the 19,430,463,305 ordinary shares without nominal value composing the share capital of 10,084,445,147.92 euro before the execution, on 30 June 2022, of the capital increase under the 2022-2025 LECOIP 3.0 Long-term Incentive Plan based on financial instruments (which raised the share capital to 10,368,870,930.08 euro divided into 19,977,435,963 shares) and, then, the annulment of the own shares purchased in execution of the buyback programme disclosed to the market on 24 June 2022 and launched on 4 July 2022 (the share capital composition changed following the reduction in the number of its constituent shares, while its amount remained unchanged at 10,368,870,930.08 euro). The shares purchased represented around 0.24% of the share capital when considering the 19,267,277,397 constituent shares at the time of purchase.

– with regard to the results for 2024, and in implementation of the Shareholders' Meeting resolution of 29 April 2025, from 8 to 15 September 2025 the Group totally purchased – through its IMI Corporate & Investment Banking Division, in charge of the programme execution – 23,800,000 Intesa Sanpaolo ordinary shares (representing approximately 0.13% of the share capital of the Parent Company) at an average purchase price of 5.4349 euro per share, for a total value of 129,350,330.52 euro. The buyback programme mainly serves the Intesa Sanpaolo Group's share-based incentive system for 2024, as well as, to a lesser extent, the incentive systems of certain subsidiaries (i.e. 2024 Incentive System for the Private Banking Network of the network in Italy of Intesa Sanpaolo Private Banking, the 2024 Incentive System for Relationship Managers of the international commercial networks of the Fideuram – Intesa Sanpaolo Private Banking Group and the 2024 Incentive System of the non-employee Financial Advisors belonging to the commercial Networks of the Fideuram - Intesa Sanpaolo Private Banking Group) and, to a lesser extent, the completion of the implementation of the 2023 Intesa Sanpaolo Group Incentive Plans (i.e., the 2023 Incentive System of the Intesa Sanpaolo Group, as well as the 2023 Incentive System of the Private Banking Network in Italy of Intesa Sanpaolo Private Banking; that for Relationship Managers of the international commercial networks of the Fideuram – Intesa Sanpaolo Private Banking Group; and that of the non-employee Financial Advisors belonging to the Commercial Networks of the Fideuram – Intesa Sanpaolo Private Banking Group). Moreover, the programme is implemented in order to grant, severance payments upon early termination of employment.

The above Shareholders' Meetings also authorised the sale on the regulated market of any shares exceeding requirements, or their retention for any future incentive plans.
The above shares shall be assigned to the beneficiaries in compliance with the implementing regulations set forth in the above incentive systems. Generally, according to these regulations, the beneficiaries must remain in service up to the time the shares are actually delivered to them, and the deferred portion (either in cash or in financial instruments) of the incentive is subject to an ex post correction mechanism – the "malus condition" – according to which the relative amount paid and the number of shares assigned, if any, may be reduced by the level of achievement, in the year to which the deferred portion refers, of specific income statement-balance sheet targets which measure the sustainability of the results achieved over time.

Long-Term Incentive Plans 2022-2025: Performance Share Plan and LECOIP 3.0 Plan

At the time of launching the 2022-2025 Business Plan, two long-term incentive plans were launched targeting different clusters of employees:
– Performance Share Plan (PSP) reserved for the Group Management, including the Managing Director and CEO, the remaining Group Top Risk Takers and other Group Risk Takers (in Italy and abroad), which ended in March 2026;
– LECOIP 3.0 Plan reserved for all the Professionals employed by the Group in Italy, which ended in March 2026.

With regard to Management, Intesa Sanpaolo has adopted a plan specifically linked to the achievement of the Business Plan targets and with an adequate risk/return profile in respect of the role held and the levels of ambition and challenge of the Business Plan, and which envisages the adoption of Performance Shares as a financial instrument. Participation in the PSP was also offered until 31 December 2023 to newly hired managers and in the event of promotions to recognise career advancement.
In detail, the Performance Share Plan provides for the assignment of new Intesa Sanpaolo ordinary shares deriving from a capital increase without payment, upon achievement of key performance conditions of the Business Plan, subject to the application of de-multipliers based on sustainability targets, as well as subordinated to gateway conditions and individual access (compliance breach).
Any shares accrued will be paid out over a 4/5-year time horizon according to payout schedules established depending on the sub-cluster of the beneficiary, the amount of the total variable remuneration, and its weight compared to the fixed remuneration. The deferred portions are also subject to the verification of malus conditions, defined in a mirrored manner to the gateway conditions.
For Professionals, basically in line with the LECOIP 2.0 Plan, a retention plan called "LECOIP 3.0" has been structured with the aim of continuing the work of strengthening the personnel's identity and sense of belonging, consistently with the Group's inclusive organisational culture.
The LECOIP 3.0 Plan is assigned as certificates issued by JP Morgan, i.e. share-based financial instruments, and envisages:
– the assignment of newly issued ordinary shares of Intesa Sanpaolo deriving from a share capital increase without payment (Free Shares) for an amount equivalent to the Variable Result Bonus advance for 2022 (employees may opt to receive the advance in cash and, therefore, not to participate in LECOIP 3.0);
– the assignment, free of charge, of additional shares in exchange for the same share capital increase without payment (Matching Shares) based on the role held and seniority, and the subscription, in set proportions with respect to the free shares received, of newly issued ordinary Intesa Sanpaolo shares deriving from a share capital increase with payment reserved for employees, at a discounted issue price (Discounted Shares) against market value.

The Certificates reflect the terms of certain options that have Intesa Sanpaolo ordinary shares as their underlying instruments, and will allow employees to receive, at maturity, in the absence of trigger events, an amount in cash (or in Intesa Sanpaolo ordinary shares) that is equal to the original market value of the Free Shares and the Matching Shares, plus a portion of any appreciation, compared to the original market value, related to the amount of the Free Shares, Matching Shares and Discounted Shares.
In residual cases, the amount will be paid according to specific payout schedules that provide for deferral and payment of part of the bonus in financial instruments. These schedules are differentiated according to the cluster the beneficiaries belong to when the bonus is accrued, as well as the amount of the total variable remuneration, and its weight compared to the fixed remuneration.
The Performance Share Plan and the LECOIP 3.0 Plan were subject to the approval of the ordinary Shareholders' Meeting of 29 April 2022.
The extraordinary session of the Shareholders' Meeting resolved on granting a power of attorney to the Board of Directors to increase the share capital pursuant to Article 2443 of the Italian Civil Code, conducive to the implementation of the plans.
On 21 June 2022, ISP's Board of Directors exercised the authority granted to it by the Shareholders' Meeting for capital increases in favour of the Group's employees to service the implementation of the 2022-2025 LECOIP 3.0 Plan.

Both the long-term incentive plans in question (the Performance Share Plan and the LECOIP 3.0) fall within the scope of IFRS 2 and qualify as equity-settled share-based payment plans.
For the Performance Share Plan, the fair value of the equity instruments that are subject to the plan is calculated at the assignment date. The Plan envisages the presence of service and performance conditions, which must be considered in order to determine the number of shares for the measurement of the cost of the plan. These estimates will be subject to review during the accrual period and until the expiry. Additionally, the determination of the fair value of the plan needs to take into account the presence of "market" performance conditions.
The cost of the plan, so defined, is attributed to the income statement (as labour costs) pro rata temporis along the accrual period of the benefit, as a balancing entry for a specific shareholders' equity reserve. Upon the occurrence of the events that imply the loss of the rights to the benefits of the plan (performance targets, gateway conditions and the discontinuation of employment) for the employees, if the estimate made previously needs to be adjusted, ISP changes the cost of the plan with a corresponding adjustment to Shareholders' Equity.
With regard to the LECOIP 3.0 Plan, at the assignment date, the fair value of the equity instruments that are subject to the plan is calculated (equivalent to the sum of the fair value of the shares assigned free of charge and the fair value of the discount for the paid shares) and no longer modified.
The Plan envisages the presence of non-market service and performance conditions (trigger events), which must be considered in order to determine the number of shares for the measurement of the cost of the plan. These estimates will be subject to review during the vesting period and until the expiry. The cost of the plan, so defined, is attributed to the income statement (as labour costs) pro rata temporis along the period of accrual of the benefit, as a balancing entry for a specific shareholders' equity reserve.
Upon the occurrence of the events that imply the loss of the rights to the benefits of the LECOIP 3.0. Certificate (trigger events and the discontinuation of employment) for the employees, Intesa Sanpaolo recognises a financial asset (the "transferred receivable" representing the Certificates) as a balancing entry in Shareholders' Equity. In particular, the Certificates entered in the Group's financial statements are classified, in accordance with the provisions of IFRS 9, under caption 20.c) Financial assets measured at fair value through profit or loss: Other financial assets mandatorily measured at fair value. At the same time, if the estimate made previously needs to be adjusted, the cost of the plan is changed with a corresponding adjustment to Shareholders' Equity.

B. QUANTITATIVE INFORMATION

Evolution of the annual incentive plans based on financial instruments in 2025

	Number of shares	Average strike price (euro)	Residual life
Financial instruments outstanding as at 31 December 2024	27,422,286	-	2025/2029
Financial instruments granted during the year (a)	13,260,307	-	2025/2030
Financial instruments no longer assignable (b)	7,965	-	-
Financial instruments vested during the year and assigned	16,332,900	-	-
Financial instruments outstanding as at 31 December 2025	24,341,728	-	2026/2030
of which: vested and assigned as at 31 December 2025	-	-	-

(a) Including the shares deriving from corporate transactions.
(b) Shares no longer deliverable to the beneficiaries following the related employment agreement ceasing and/or due to the application of the so-called malus conditions.

In addition to the shares specified above, in accordance with the Provisions of the Bank of Italy regarding remuneration and the Remuneration and Incentive Policies of the Group, during 2025, 769,257 shares were assigned with reference to remuneration granted in the event of early termination (severance). The retention period of those shares, assigned over a multi-year time horizon, ends between February 2026 and April 2030.

Breakdown by residual life

Residual life (a)	Number of shares
2026	4,321,778
2027	9,546,601
2028	6,135,443
2029	3,187,229
2030	1,150,677

(a) Fine retention period.

Evolution of long-term share-based instruments: Performance Share Plan (PSP) and LECOIP 3.0

	PERFORMANCE SHARE PLAN (PSP)			
	Number of Performance Share at 31.12.2024	**Changes in the year (a)**	**Number of Performance Share at 31.12.2025**	**Fair value**
Total beneficiaries (all the Management, including the Managing Director and CEO, the other Group Top Risk Takers and the remaining Group Risk Takers – both Italian and foreign perimeter)	116,489,864	-952,000	115,537,864	1.0124

(a) Number of assigned Performance Shares that will not be awarded to employees due to failure to meet tenure or other vesting conditions.

	LECOIP PLAN 3.0												
	Free Shares at June 2022		**Matching Shares at June 2022**		**Discounted Shares at June 2022**		**Sell to cover shares at June 2022 (a)**		**Total number of shares assigned at June 2022**	**Number of LECOIP Certificates at 31.12.2024**	**Changes in the year (c)**	**Number of LECOIP Certificates at 31.12.2025**	**Average fair value 31.12.2025**
	Number of shares	Average unit fair value	Number of shares	Average unit fair value	Number of shares	Average unit fair value (b)	Number of shares	Average unit fair value (b)					
Total employees	30,964,490	1.7800	34,286,674	1.7800	344,304,070	0.3409	75,951,342	1.7800	485,506,576	62,688,617	-515,023	62,173,594	8.2350

(a) Assigned shares allocated to cover the payment relating to the employee's tax burden.

(b) Fair value of the subscription discount.

(c) Number of Certificates for which Intesa Sanpaolo shall take over the rights that would have been recognised to the employees by virtue of the Certificates due to failure to comply with the condition of continuation of employment for the duration of the Plan and other vesting conditions.

Part L – Segment reporting

Segment reporting is provided in the consolidated financial statements.

Part M – Disclosure of leases

This section provides the information required by IFRS 16 that is not included in other parts of the financial statements, divided between lessee and lessor.

SECTION 1 - LESSEE

QUALITATIVE INFORMATION

Intesa Sanpaolo essentially has real estate and company car lease contracts in place. There are also other types of lease contracts, for residual non-material amounts, mainly relating to hardware.
As at 31 December 2025, there were 4,759 lease contracts (5,441 as at 31 December 2024), 2,336 of which (2,886 as at 31 December 2024) relating to real estate leases, for a total value of rights of use of 850 million euro (928 million euro as at 31 December 2024). The decrease in the number of contracts was due to the activities aimed at optimising the use of spaces, which resulted in the termination of several leases.
Real estate lease contracts mainly include properties designated for use as offices or bank branches. The contracts within Italy normally have a term of more than 12 months and typically have renewal and termination options that can be exercised by the lessor and the lessee in accordance with the law or specific contractual provisions. Generally, these contracts do not include the option to purchase at the end of the lease or significant restoration costs for the Bank. On the basis of the characteristics of the Italian lease contracts and the provisions of Law 392/1978, in the event of the signing of a new lease contract with a contractual term of six years and the option to automatically renew the contract after six years for another six years, the total term of the lease will be set at twelve years. This general rule is superseded if there are new elements or specific contractual provisions. The lease contracts typically include an option for early release prior to the contractual maturity, and, in such cases, they do not impose any penalties on the Bank.
The contracts relating to other leases mainly involve motor vehicles. These are long-term rental contracts relating to the company fleet made available to employees (mixed use) or to the organisational structures of the individual companies. These contracts generally have a four-year term, with monthly payments, no renewal option and do not include the option to purchase the asset. The contract may be extended depending on the management of the car fleet and there may be a penalty in the event of early termination.
No sale or leaseback transactions were entered into during the year.
Several sub-leasing transactions are in place, mainly with Group companies.
The Bank makes use of the exemptions allowed by IFRS 16 for short-term leases (i.e. with a term of less than or equal to 12 months) or leases of low value assets (i.e. with a value of 5 thousand euro or less). The related costs are shown in Table 10.5 “Other administrative expenses: breakdown”.

QUANTITATIVE DISCLOSURES

Part B – Assets in the Notes to the financial statements contains information on the rights of use acquired through leases (Table 8.1 – Property and equipment used in operations: breakdown of assets measured at cost and Table 8.4 – Investment property: breakdown of assets measured at fair value) and Part B – Liabilities contains information on the Lease payables (Table 1.1 – Financial liabilities measured at amortised cost: breakdown of amounts due to banks, Table 1.2 – Financial liabilities measured at amortised cost: breakdown of amounts due to customers and Table 1.6 Lease payables).
In particular, as at 31 December 2025 the rights of use acquired through leases amounted to 850 million euro (928 million euro as at 31 December 2024), of which 780 million euro (869 million euro as at 31 December 2024) relating to real estate leases. As at 31 December 2025 lease payables amounted to 881 million euro (955 million euro as at 31 December 2024). See the above sections for more details.

Part C of the Notes to the financial statements contains information on the interest expense on lease payables and other charges connected to rights of use acquired through leases, and on the income from sub-leasing transactions.
The table below provides a breakdown of the depreciation charges for assets consisting of the right of use among the various categories, in line with the disclosure of property and equipment.

(millions of euro)

Captions	31.12.2025	31.12.2024
Depreciation charges by asset class		
Property and equipment used in operations	**168**	**168**
a) buildings	136	144
b) furniture	-	-
c) electronic equipment	19	12
d) other	13	12
Property and equipment for investment	**-**	**-**
a) buildings	-	-
TOTAL	**168**	**168**

As at 31 December 2025, there was no property and equipment relating to commitments for lease agreements not yet commenced.

SECTION 2 - LESSOR

QUALITATIVE INFORMATION

The Bank operates mainly in finance leasing of industrial and commercial real estate, both already built and to be built. The Bank is also present on the market with lease products relating to capital goods, industrial vehicles, boats and pleasure craft. The risks associated with the ownership rights to the leased assets are managed through the compulsory subscription of an all-risk insurance policy, either offered through concessionary agreements or taken out directly by the customer with their insurer.
Operating leases are exclusively related to the leasing of owned real estate assets.

QUANTITATIVE DISCLOSURES

The Notes to the consolidated financial statements report the following:
- finance leases (Part B - Assets - Table 4.1 – Financial assets measured at amortised cost: breakdown of amounts due from banks and Table 4.2 – Financial assets measured at amortised cost: breakdown of loans to customers);
- assets leased under operating leases contained in caption 80 Property and equipment and described in Part B - Assets (Table 8.4 - Investment property: breakdown of assets measured at fair value); this consists of real estate no longer used in operations by the Bank, which is leased to third parties or held for possible appreciation in value.

Part C of the Notes to the financial statements contains information on interest income on finance leases and other income from finance and operating leases. See the specific sections for more details.

2. Finance leases

2.1. Breakdown by time bands of payments to be received and reconciliation with finance leases recorded as assets

This table provides the breakdown by time bands of lease payments to be received and the reconciliation between lease payments to be received and finance leases in accordance with IFRS 16, paragraph 94. In particular, the lease payments to be received, representing the sum of the minimum payments due as principal and interest, are shown net of the adjustment allowances and the unguaranteed residual value due to the lessor. The reconciliation with finance leases, shown in the financial statements under financial assets measured at amortised cost, is performed by subtracting the unearned finance income and adding the unguaranteed residual value.

(millions of euro)

Time bands	**31.12.2025**	**31.12.2024**
	Payments to be received	**Payments to be received**
Up to 1 year	1,102	1,352
Between 1 and 2 years	916	1,096
Between 2 and 3 years	729	909
Between 3 and 4 years	546	717
Between 4 and 5 years	369	529
Over 5 years	952	1,341
Total lease payments to be received	**4,614**	**5,944**
Reconciliation with loans	-184	160
Not accrued gains (+)	772	1,270
Unguaranteed residual value (-)	-956	-1,110
Loans for leases	**4,798**	**5,784**

2.2. Other information

2.2.1 Classification of finance leases by type of leased asset

The table shows the classification of finance leases by credit quality (performing and non-performing) and by type of leased asset. The amounts are shown net of adjustments.

(millions of euro)

Finance leases	**Performing exposures**	**Non-performing exposures**
A. Real estate assets	**3,615**	**108**
B. Operating assets	**723**	**7**
C. Movable assets	**343**	**2**
- Motor vehicles	205	2
- Aircraft and rolling stock	138	-
- Other	-	-
D. Intangible assets	**-**	**-**
- Trademarks	-	-
- Software	-	-
- Other	-	-

2.2.2 Classification of assets under finance leases

The table below provides a breakdown by category of leased asset (not yet transferred to property and equipment) relating to lease receivables, net of adjustments.

(millions of euro)

	Unexercised assets	Assets withdrawn following termination	Other assets
A. Real estate assets	**-**	**3**	**3,720**
B. Operating assets	**-**	**-**	**730**
C. Movable assets	**-**	**-**	**345**
- Motor vehicles	-	-	207
- Aircraft and rolling stock	-	-	138
- Other	-	-	-
D. Intangible assets	**-**	**-**	**-**
- Trademarks	-	-	-
- Software	-	-	-
- Other	-	-	-
TOTAL	**-**	**3**	**4,795**

Unexercised assets are assets still held by customers, for which the repurchase option has not been exercised, related to positions that do not show any deterioration in credit quality. Assets withdrawn following termination relate to terminated contracts, where the customer has not yet been released from the contractual obligations, despite having returned the asset covered by the lease contract. The category Other assets includes the assets underlying the other lease receivables not included in the previous columns.

3. Operating lease

This refers to lease instalments to be received for owned real estate assets.

3.1. Breakdown of payments to be received by time bands

(millions of euro)

Time bands	31.12.2025	31.12.2024
	Payments to be received for leases	Payments to be received for leases
Up to one year	3	3
Over one year up to 2 years	2	2
Over 2 years up to 3 years	7	3
Over 3 years up to 4 years	7	7
Over 4 years up to 5 years	25	8
For over 5 years	15	35
Total	**59**	**58**

3.2. Other information

There is no other information that needs to be reported in addition to that already contained in this section.

Certification of the Parent Company's financial statements pursuant to Art. 154 bis of Legislative Decree 58/1998

1. The undersigned Carlo Messina (as Managing Director and CEO) and Elisabetta Stegher (as Manager responsible for preparing the Company's financial reports) of Intesa Sanpaolo, taking into account the provisions of Article 154 bis, par. 3 and 4 of Legislative Decree 58 of 24 February 1998, do hereby certify to:
   - the adequacy in relations to the Company's features and
   - the actual application of the administrative and accounting procedures employed to draw up the Parent Company's financial statements during 2025.

2. Verification of the appropriateness and effective application of the administrative and accounting procedures employed to draw up the Parent Company's financial statements as at 31 December 2025 was based on methods defined by Intesa Sanpaolo consistently with the COSO and – as to the IT component – COBIT models, which are internationally accepted frameworks for internal control systems[418].

3. The undersigned also certify that:

   3.1 The Parent Company's financial statements as at 31 December 2025:
   - have been prepared in compliance with applicable international accounting standards recognised by the European Community pursuant to European Parliament and Council Regulation 1606/2002 of 19 July 2002;
   - correspond to the results of the books and accounts;
   - give a true and fair presentation of the assets, liabilities, profit or loss and financial position of the issuer.

   3.2 The report on operations includes a fair review of the development and operating margin, as well as of the position of the issuer, together with a description of the main risks and uncertainties.

26 February 2026

Carlo Messina
Managing Director and CEO

Elisabetta Stegher
Manager responsible for preparing the Company's financial reports

[418] The COSO Framework was prepared by the Committee of Sponsoring Organizations of the Treadway Commission, the U.S. organisation dedicated to improving the quality of financial reporting through ethical standards and an effective system for corporate governance and organisation. The COBIT Framework - Control OBjectives for IT and related technology is a set of rules prepared by the IT Governance Institute, the U.S. organisation whose aim is to define and improve the standards of corporate IT.

Independent Auditors' Report on the Parent Company's financial statements

EY S.p.A.
Via Meravigli, 12
20123 Milano

Tel: +39 02 722121
Fax: +39 02 722122037
ey.com

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Independent auditor's report pursuant to article 14 of Legislative Decree no. 39, dated 27 January 2010 and article 10 of Regulation (EU) no. 537/2014

(Translation from the original Italian text)

To the Shareholders of
Intesa Sanpaolo S.p.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Intesa Sanpaolo S.p.A. (the "Bank"), which comprise the balance sheet as at 31 December 2025, the income statement, the statement of comprehensive income, the changes in shareholders' equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Bank as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS accounting standards issued by the International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing article 9 of Legislative Decree no. 38/2005 and article 43 of Legislative Decree no. 136/2015.

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 Financial Statements* section of our report. We are independent of the Bank in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. 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 financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
Sede Secondaria: Via Lombardia, 31 – 00187 Roma
Capitale Sociale Euro 3.000.000 i.v.
Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
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We identified the following key audit matters:

Key Audit Matters	Audit Responses
Classification and measurement of loans to customers (loans) measured at amortised cost	
Loans to customers (loans) measured at amortised cost recorded in the financial assets, line item 40 b) (the "Loans"), amount to Euro 342,522 million as at 31 December 2025 and represent approximately 50.8% of total assets in the balance sheet. The breakdown of such loans is included in tables 4.2 and 4.3 in Part B, section 4, of the notes to the financial statements. The disclosure of the changes in the quality of the Loans, the classification and measurement criteria adopted is provided in the notes to the financial statements in Part A – Accounting policies, in Part B – Information on the Parent Company's balance sheet, in Part C – Information on the Parent Company's income statement and in Part E – Information on risks and relative hedging policies. The classification of the Loans in the appropriate stage and the related measurement are relevant for the audit both because the amount of such loans is significant to the financial statements as a whole and because they are determined by the Directors through the use of estimates. These estimates have a high degree of complexity and subjectivity, involve internally developed models and include subjective elements in order to identify and measure exposures that show evidence of a significant increase in credit risk since the date of initial recognition or evidence of impairment. The processes for the classification and the measurement of the Loans consider both internal and external information, including the historical performance of exposures and related collection histories, the borrowers' overall exposure to the banking system, expected cash flows and related estimated collection dates, the assessment of any guarantees, the impact	In relation to this matter, our audit procedures included, among others: - gaining an understanding of the policies, valuation models, processes and controls applied by the Bank; - the assessment of the configuration and implementation of key controls, including those relating to the relevant IT applications, and the execution of tests of controls to test their operational effectiveness; - the analysis of the changes in the breakdown of the Loans compared to the previous year and the discussion of the results with management; - the performance of substantive procedures to verify, on a sample basis, the correct classification and measurement of credit exposures; - the verification, through the analysis of the supporting documentation, of the accounting treatment of disposal of non-performing loans'; - the assessment of the adequacy of the disclosures provided in the notes to the financial statements. The aforementioned procedures have been performed also with the support of our risk management, valuation, modelling and economics and information technology specialists.

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of macroeconomic variables, any emerging risks, and future scenarios, also related to Loans' sales and risks of the Bank's customers' operating sectors.

Classification and measurement of financial assets and liabilities at fair value on a recurring basis (levels 2 and 3)

Financial instruments measured at fair value on a recurring basis, classified as level 2 and level 3 of the fair value hierarchy, amount to a total assets balance of Euro 47,878 million and a total liabilities balance of Euro 60,242 million as at 31 December 2025. The related breakdown is included in table A.4.5.1, Part A of the notes to the financial statements.

The disclosures on the classification and measurement is provided in the notes to the financial statements in Part A - Accounting policies, in Part B - Information on the Parent Company's balance sheet, in Part C - Information on the Parent Company's income statement and in Part E - Information on risks and relative hedging policies.

The measurement of such financial instruments is relevant to the audit because their amount is significant to the financial statements as a whole and because of the multiplicity and complexity of the valuation models and parameters used as well as and for the subjective estimation elements considered by the Directors.

The valuation of these financial instruments is performed by the Bank through the use of complex models, consistent with the prevailing valuation practices, which are fed by directly observable inputs or, when not observable in the market, estimated internally based on qualitative and quantitative assumptions.

In relation to this matter, our audit procedures included, among others:

- gaining an understanding of the policies, valuation models, processes and controls applied by the Bank;
- the assessment of the configuration and implementation of key controls, including those relating to the relevant IT applications, and the execution of tests of controls in order to verify their operational effectiveness;
- the comparative analysis of the portfolio composition against the previous year and the discussion of the results with management;
- the performance of substantive procedures to verify, on a sample basis, the correct classification and measurement;
- the assessment of the adequacy of the disclosures provided in the notes to the financial statements.

The aforementioned procedures have been performed also with the support of our risk management, valuation, modelling and economics and information technology specialists.

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Responsibilities of Directors and of the Management Control Committee for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS accounting standards issued by the International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing article 9 of Legislative Decree no. 38/2005 and article 43 of Legislative Decree no. 136/2015 and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Bank's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

The Management Control Committee is responsible, within the terms provided by the law, for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming 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 Bank to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the financial statements,

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including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated 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 have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of Regulation (EU) no. 537/2014

The Shareholders of Intesa Sanpaolo S.p.A., in the general meeting held on 30 April 2019, engaged us to perform the audits of the separate and consolidated financial statements of the Bank for each of the years ending 31 December 2021 to 31 December 2029.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of Regulation (EU) no. 537/2014, and that we have remained independent of the Bank in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the Management Control Committee in their capacity as audit committee, prepared pursuant to article 11 of the Regulation mentioned above.

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Report on other Legal and Regulatory Requirements

Opinion on the Compliance with the provisions of Delegated Regulation (EU) no. 815/2019

The Directors of Intesa Sanpaolo S.p.A. are responsible for applying the provisions of the Delegated Regulation (EU) no. 815/2019 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF) (the "Delegated Regulation") to the financial statements as at 31 December 2025, to be included in the annual financial report.

We have performed the procedures under the auditing standard SA Italia no. 700B, in order to express an opinion on the compliance of the financial statements as at 31 December 2025 with the provisions of the Delegated Regulation.

In our opinion, the financial statements as at 31 December 2025 have been prepared in the XHTML format in compliance with the provisions of the Delegated Regulation.

Opinion and statement pursuant to article 14, paragraph 2, subparagraphs e), e-bis) and e-ter) of Legislative Decree no. 39, dated 27 January 2010 and pursuant to article 123-bis, paragraph 4, of Legislative Decree no. 58, dated 24 February 1998

The Directors of Intesa Sanpaolo S.p.A. are responsible for the preparation of the report on operations and of the report on corporate governance and ownership structure of Intesa Sanpaolo S.p.A. as at 31 December 2025, including their consistency with the related financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia no. 720B, in order to:

- express an opinion on the consistency of the report on operations and of specific information included in the report on corporate governance and ownership structure pursuant article 123-bis, paragraph 4, of Legislative Decree no. 58, dated 24 February 1998 with the financial statements;
- express an opinion on the compliance with the applicable laws and regulations of the report on operations, excluding the section related to the consolidated sustainability statement contained in the report on operations of the consolidated financial statements, and the above mentioned specific information included in the report on corporate governance and ownership structure pursuant article 123-bis, paragraph 4, of Legislative Decree no. 58, dated 24 February 1998;
- issue a statement on any material misstatement in the report on operations and in certain specific information contained in the report on corporate governance and ownership structure pursuant article 123-bis, paragraph 4, of Legislative Decree no. 58, dated 24 February 1998.

In our opinion, the report on operations and the specific information contained in the report on corporate governance and ownership structure pursuant article 123-bis, paragraph 4, of Legislative Decree no. 58, dated 24 February 1998, are consistent with the financial statements of Intesa Sanpaolo S.p.A. as at 31 December 2025.

Furthermore, in our opinion, the report on operations, excluding the section related to the consolidated sustainability statement contained in the report on operations of the consolidated financial statements, and the specific information contained in the report on corporate governance and ownership structure pursuant article 123-bis, paragraph 4, of Legislative Decree no. 58, dated 24 February 1998, comply with the applicable laws and regulations.

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With reference to the statement required by article 14, paragraph 2, subparagraph *e-ter)*, of Legislative Decree no. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Our opinion on compliance with applicable laws and regulations does not extend to the section of the report on operations related to consolidated sustainability statement. The conclusion on the compliance of this section with the applicable standards governing its preparation criteria and the compliance with the disclosure requirements pursuant to article 8 of Regulation (EU) 852/2020 are formulated by us in the attestation report pursuant to article 14-bis of Legislative Decree no. 39, dated 27 January 2010.

Milan, 20 March 2026

EY S.p.A.
Signed by: Massimo Testa, Auditor

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.

Attachments to the Financial statements

Intesa Sanpaolo reconciliation statements

Reconciliation between published financial statements and adjusted financial statements

Reconciliation between published balance sheet as at 31 December 2024 and adjusted balance sheet as at 31 December 2024

Reconciliation between published income statement for 2024 and adjusted income statement for 2024

Reconciliation between published/adjusted financial statements and restated financial statements

Reconciliation between published balance sheet as at 31 December 2024 and restated balance sheet as at 31 December 2024

Reconciliation between published income statement for 2024 and restated income statement for 2024

Financial statements

Intesa Sanpaolo balance sheet

Intesa Sanpaolo income statement

Reconciliation between financial statements and reclassified financial statements

Reconciliation between Intesa Sanpaolo balance sheet and reclassified Intesa Sanpaolo balance sheet

Reconciliation between Intesa Sanpaolo income statement and reclassified Intesa Sanpaolo income statement

Reconciliation between published financial statements and adjusted financial statements

Reconciliation between published balance sheet as at 31 December 2024 and adjusted balance sheet as at 31 December 2024

The published balance sheet as at 31 December 2024 did not require any adjustments.

Reconciliation between published income statement for 2024 and adjusted income statement for 2024

The published income statement for 2024 did not require any adjustments.

Reconciliation between published/adjusted financial statements and restated financial statements

Reconciliation between published balance sheet as at 31 December 2024 and restated balance sheet as at 31 December 2024

The published balance sheet as at 31 December 2024 did not require any restatements.

Reconciliation between published income statement for 2024 and restated income statement for 2024

The published income statement for 2024 did not require any restatements.

Financial statements

Intesa Sanpaolo balance sheet

(millions of euro)

Assets		31.12.2025	31.12.2024	Changes	
				amount	%
10.	Cash and cash equivalents	24,951	26,201	-1,250	-4.8
20.	Financial assets measured at fair value through profit or loss	51,845	47,295	4,550	9.6
	a) financial assets held for trading	*46,873*	*42,529*	*4,344*	*10.2*
	b) financial assets designated at fair value	*-*	*2*	*-2*	
	c) other financial assets mandatorily measured at fair value	*4,972*	*4,764*	*208*	*4.4*
30.	Financial assets measured at fair value through other comprehensive income	70,773	58,612	12,161	20.7
40.	Financial assets measured at amortised cost	456,353	446,605	9,748	2.2
	a) due from banks	*50,062*	*38,430*	*11,632*	*30.3*
	b) loans to customers	*406,291*	*408,175*	*-1,884*	*-0.5*
50.	Hedging derivatives	6,803	5,782	1,021	17.7
60.	Fair value change of financial assets in hedged portfolios (+/-)	-5,907	-3,572	2,335	65.4
70.	Equity investments	25,024	25,659	-635	-2.5
80.	Property and equipment	7,070	7,255	-185	-2.5
90.	Intangible assets	4,904	4,794	110	2.3
	of which:				
	- goodwill	*67*	*67*	*-*	*-*
100.	Tax assets	9,918	11,617	-1,699	-14.6
	a) current	*887*	*1,472*	*-585*	*-39.7*
	b) deferred	*9,031*	*10,145*	*-1,114*	*-11.0*
110.	Non-current assets held for sale and discontinued operations	1,024	577	447	77.5
120.	Other assets	21,157	27,705	-6,548	-23.6
Total assets		**673,915**	**658,530**	**15,385**	**2.3**

(millions of euro)

Liabilities and Shareholders' Equity		31.12.2025	31.12.2024	Changes amount	Changes %
10.	Financial liabilities measured at amortised cost	540,651	519,596	21,055	4.1
	a) due to banks	*82,508*	*70,457*	*12,051*	*17.1*
	b) due to customers	*356,593*	*338,185*	*18,408*	*5.4*
	c) securities issued	*101,550*	*110,954*	*-9,404*	*-8.5*
20.	Financial liabilities held for trading	40,710	44,291	-3,581	-8.1
30.	Financial liabilities designated at fair value	27,200	23,440	3,760	16.0
40.	Hedging derivatives	2,193	3,741	-1,548	-41.4
50.	Fair value change of financial liabilities in hedged portfolios (+/-)	-2,879	-1,803	1,076	59.7
60.	Tax liabilities	1,092	529	563	
	a) current	*651*	*107*	*544*	
	b) deferred	*441*	*422*	*19*	*4.5*
70.	Liabilities associated with non-current assets held for sale and discontinued operations	45	5	40	
80.	Other liabilities	9,627	10,490	-863	-8.2
90.	Employee termination indemnities	569	652	-83	-12.7
100.	Allowances for risks and charges	2,850	3,220	-370	-11.5
	a) commitments and guarantees given	*554*	*427*	*127*	*29.7*
	b) post-employment benefits	*30*	*60*	*-30*	*-50.0*
	c) other allowances for risks and charges	*2,266*	*2,733*	*-467*	*-17.1*
110.	Valuation reserves	885	26	859	
120.	Redeemable shares	-	-	-	
130.	Equity instruments	7,686	8,688	-1,002	-11.5
140.	Reserves	4,996	5,024	-28	-0.6
145.	Interim dividend (-)	-3,234	-3,022	212	7.0
150.	Share premium reserve	24,437	27,760	-3,323	-12.0
160.	Share capital	10,369	10,369	-	-
170.	Treasury shares (-)	-126	-80	46	57.5
180.	Net income (loss) (+/-)	6,844	5,604	1,240	22.1
Total liabilities and shareholders' equity		**673,915**	**658,530**	**15,385**	**2.3**

Intesa Sanpaolo income statement

(millions of euro)

		2025	2024	Changes amount	Changes %
10.	Interest and similar income	19,887	26,327	-6,440	-24.5
	of which: interest income calculated using the effective interest rate method	*17,630*	*21,724*	*-4,094*	*-18.8*
20.	Interest and similar expense	-9,327	-15,105	-5,778	-38.3
30.	**Interest margin**	**10,560**	**11,222**	**-662**	**-5.9**
40.	Fee and commission income	6,998	6,700	298	4.4
50.	Fee and commission expense	-1,234	-1,133	101	8.9
60.	**Net fee and commission income**	**5,764**	**5,567**	**197**	**3.5**
70.	Dividend and similar income	3,336	2,107	1,229	58.3
80.	Profits (Losses) on trading	847	189	658	
90.	Fair value adjustments in hedge accounting	-5	9	-14	
100.	Profits (Losses) on disposal or repurchase of:	315	269	46	17.1
	a) financial assets measured at amortised cost	*161*	*43*	*118*	
	b) financial assets measured at fair value through other comprehensive income	*233*	*229*	*4*	*1.7*
	c) financial liabilities	*-79*	*-3*	*76*	
110.	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss	-962	-855	107	12.5
	a) financial assets and liabilities designated at fair value	*-1,197*	*-1,010*	*187*	*18.5*
	b) other financial assets mandatorily measured at fair value	*235*	*155*	*80*	*51.6*
120.	**Net interest and other banking income**	**19,855**	**18,508**	**1,347**	**7.3**
130.	Net losses/recoveries for credit risks associated with:	-1,628	-1,099	529	48.1
	a) financial assets measured at amortised cost	*-1,607*	*-1,092*	*515*	*47.2*
	b) financial assets measured at fair value through other comprehensive income	*-21*	*-7*	*14*	
140.	Profits (Losses) on changes in contracts without derecognition	-	-8	-8	
150.	**Net income from banking activities**	**18,227**	**17,401**	**826**	**4.7**
160.	Administrative expenses:	-8,701	-9,364	-663	-7.1
	a) personnel expenses	*-5,584*	*-6,086*	*-502*	*-8.2*
	b) other administrative expenses	*-3,117*	*-3,278*	*-161*	*-4.9*
170.	Net provisions for risks and charges	-254	-107	147	
	a) commitments and guarantees given	*-128*	*-20*	*108*	
	b) other net provisions	*-126*	*-87*	*39*	*44.8*
180.	Net adjustments to / recoveries on property and equipment	-435	-449	-14	-3.1
190.	Net adjustments to / recoveries on intangible assets	-1,051	-927	124	13.4
200.	Other operating expenses (income)	1,065	980	85	8.7
210.	**Operating expenses**	**-9,376**	**-9,867**	**-491**	**-5.0**
220.	Profits (Losses) on equity investments	-328	-161	167	
230.	Valuation differences on property, equipment and intangible assets measured at fair value	-20	-23	-3	-13.0
240.	Goodwill impairment	-	-	-	
250.	Profits (Losses) on disposal of investments	126	-3	129	
260.	**Income (Loss) before tax from continuing operations**	**8,629**	**7,347**	**1,282**	**17.4**
270.	Taxes on income from continuing operations	-1,785	-1,743	42	2.4
280.	**Income (Loss) after tax from continuing operations**	**6,844**	**5,604**	**1,240**	**22.1**
290.	Income (Loss) after tax from discontinued operations	-	-	-	
300.	**Net income (loss)**	**6,844**	**5,604**	**1,240**	**22.1**

Reconciliation between financial statements and reclassified financial statements

Reconciliation between Intesa Sanpaolo balance sheet and reclassified Intesa Sanpaolo balance sheet

(millions of euro)

Assets		31.12.2025	31.12.2024
Cash and cash equivalents		**24,951**	**26,201**
Caption 10	Cash and cash equivalents	24,951	26,201
Due from banks		**46,133**	**36,462**
Caption 40a (partial)	Financial assets measured at amortised cost - Due from banks	46,049	36,398
Caption 20a (partial)	Financial assets held for trading - Due from banks	-	-
Caption 20c (partial)	Other financial assets mandatorily measured at fair value - Due from banks	84	64
Caption 30 (partial)	Financial assets measured at fair value through other comprehensive income - Due from banks	-	-
Loans to customers		**353,181**	**355,103**
Loans to customers measured at amortised cost		***350,278***	***353,667***
Caption 40b (partial)	Financial assets measured at amortised cost - Loans to customers	342,522	347,897
Caption 40b (partial)	Financial assets measured at amortised cost - Debt securities (public entities, non-financial companies and others)	7,756	5,770
Loans to customers measured at fair value through other comprehensive income and through profit or loss		***2,903***	***1,436***
Caption 20a (partial)	Financial assets held for trading - Non-bank loans	10	73
Caption 20b (partial)	Financial assets designated at fair value through profit or loss - Non-bank loans	-	-
Caption 20c (partial)	Other financial assets mandatorily measured at fair value through profit or loss - Non-bank loans	469	449
Caption 30 (partial)	Financial assets at fair value through other comprehensive income - Non-bank loans	2,424	914
Financial assets measured at amortised cost which do not constitute loans		**60,026**	**56,540**
Caption 40a (partial)	Financial assets measured at amortised cost - Debt securities (Banks)	4,013	2,032
Caption 40b (partial)	Financial assets measured at amortised cost - Debt securities (governments, financial and insurance companies)	56,013	54,508
Financial assets at fair value through profit or loss		**51,282**	**46,709**
Caption 20a (partial)	Financial assets held for trading	46,863	42,456
Caption 20b (partial)	Financial assets designated at fair value - Debt securities	-	2
Caption 20c (partial)	Other financial assets mandatorily measured at fair value	4,419	4,251
Financial assets at fair value through other comprehensive income		**68,349**	**57,698**
Caption 30 (partial)	Financial assets measured at fair value through other comprehensive income	68,349	57,698
Equity investments		**25,024**	**25,659**
Caption 70	Equity investments	25,024	25,659
Property, equipment and intangible assets		**11,974**	**12,049**
Assets owned		***11,124***	***11,121***
Caption 80 (partial)	Property and equipment	6,220	6,327
Caption 90	Intangible assets	4,904	4,794
Rights of use acquired under leases		***850***	***928***
Caption 80 (partial)	Property and equipment	850	928
Tax assets		**9,918**	**11,617**
Caption 100	Tax assets	9,918	11,617
Non-current assets held for sale and discontinued operations		**1,024**	**577**
Caption 110	Non-current assets held for sale and discontinued operations	1,024	577
Other assets		**22,053**	**29,915**
Caption 50	Hedging derivatives	6,803	5,782
Caption 60	Fair value change of financial assets in hedged portfolios (+/-)	-5,907	-3,572
Caption 120	Other assets	21,157	27,705
Total assets		**673,915**	**658,530**

(millions of euro)

Liabilities		31.12.2025	31.12.2024
Due to banks at amortised cost		**82,505**	**70,452**
Caption 10 a)	Financial liabilities measured at amortised cost - Due to banks	82,508	70,457
- Caption 10 a) (partial)	Financial liabilities measured at amortised cost - Due to banks (of which lease payables)	-3	-5
Due to customers at amortised cost and securities issued		**457,266**	**448,189**
Caption 10 b)	Financial liabilities measured at amortised cost - Due to customers	356,593	338,185
Caption 10 c)	Financial liabilities measured at amortised cost - Securities issued	101,550	110,954
- Caption 10 b) (partial)	Financial liabilities measured at amortised cost - Due to customers (of which lease payables)	-877	-950
Financial liabilities held for trading		**40,710**	**44,291**
Caption 20	Financial liabilities held for trading	40,710	44,291
Financial liabilities designated at fair value		**27,200**	**23,440**
Caption 30	Financial liabilities designated at fair value	27,200	23,440
Tax liabilities		**1,092**	**529**
Caption 60	Tax liabilities	1,092	529
Liabilities associated with non-current assets held for sale and discontinued operations		**45**	**5**
Caption 70	Liabilities associated with non-current assets held for sale and discontinued operations	45	5
Other liabilities		**9,821**	**13,383**
Caption 40	Hedging derivatives	2,193	3,741
Caption 50	Fair value change of financial liabilities in hedged portfolios (+/-)	-2,879	-1,803
Caption 80	Other liabilities	9,627	10,490
+ Caption 10 a) (partial)	Financial liabilities measured at amortised cost - Due to banks (of which lease payables)	3	5
+ Caption 10 b) (partial)	Financial liabilities measured at amortised cost - Due to customers (of which lease payables)	877	950
Allowances for risks and charges		**3,419**	**3,872**
Caption 90	Employee termination indemnities	569	652
Caption 100 a)	Allowances for risks and charges - Loan commitments and guarantees given	554	427
Caption 100 b)	Allowances for risks and charges - Post-employment benefits	30	60
Caption 100 c)	Allowances for risks and charges - Other allowances	2,266	2,733
Share capital		**10,369**	**10,369**
Caption 160	Share capital	10,369	10,369
Reserves		**29,307**	**32,704**
Caption 140	Reserves	4,996	5,024
Caption 150	Share premium reserve	24,437	27,760
Caption 170	Treasury shares (-)	-126	-80
Valuation reserves		**885**	**26**
Caption 110	Valuation reserves	885	26
Interim dividend		**-3,234**	**-3,022**
Caption 145	Interim dividend (-)	-3,234	-3,022
Equity instruments		**7,686**	**8,688**
Caption 130	Equity instruments	7,686	8,688
Net income (loss)		**6,844**	**5,604**
Caption 180	Net income (loss) (+/-)	6,844	5,604
Total Liabilities and Shareholders' Equity		**673,915**	**658,530**

Reconciliation between Intesa Sanpaolo income statement and reclassified Intesa Sanpaolo income statement

(millions of euro)

		2025	2024
Net interest income		**10,407**	**11,103**
Caption 30	Interest margin	10,560	11,222
- Caption 30 (partial)	Interest margin (Effect of purchase price allocation)	36	38
- Caption 30 (partial)	Components of net interest income relating to Profits (losses) on trading (Dividends received and paid within securities lending operations)	-14	-1
+ Caption 60 (partial)	Net fee and commission income (Periodic fees and commissions on current accounts with positive balances (negative rates)	4	3
+ Caption 80 (partial)	Profits (losses) on trading (Components of profits (losses) on trading relating to net interest income)	-151	-118
+ Caption 160 a) (partial)	Personnel expenses (Time value employee termination indemnities and other)	-20	-26
+ Caption 160 b) (partial)	Other administrative expenses (Amounts attributed to net interest income - For Funding initiative)	-	-1
+ Caption 170 b) (partial)	Net provisions for risks and charges: b) other net provisions (Time value allowances for risks and charges)	-8	-14
Net fee and commission income		**5,974**	**5,700**
Caption 60	Net fee and commission income	5,764	5,567
- Caption 60 (partial)	Net fee and commission income (Periodic fees and commissions on current accounts with positive balances (negative rates)	-4	-3
+ Caption 80 (partial)	Profits (Losses) on trading (Placement of Certificates)	88	64
+ Caption 110 a) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (a) financial assets and liabilities designated at fair value (Placement of Certificates)	326	186
+ Caption 160 a) (partial)	Personnel expenses (Charges for incentive systems for employees of the distribution networks)	-80	-39
+ Caption 160 b) (partial)	Other administrative expenses (Recovery of other expenses)	-120	-75
Profits (Losses) on financial assets and liabilities at fair value		**451**	**-102**
Caption 80	Profits (Losses) on trading	847	189
Caption 90	Fair value adjustments in hedge accounting	-5	9
Caption 100 b)	Profits (Losses) on disposal or repurchase of financial assets measured at fair value through other comprehensive income	233	229
Caption 100 c)	Profits (Losses) on disposal or repurchase of financial liabilities	-79	-3
Caption 110 a)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (a) financial assets and liabilities designated at fair value	-1,197	-1,010
Caption 110 b)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value through profit or loss	235	155
+ Caption 30 (partial)	Components of net interest income relating to Profits (losses) on trading (Dividends received and paid within securities lending operations)	14	1
+ Caption 70 (partial)	Dividend and similar income on equity instruments held for trading, designated at fair value through profit or loss or for which the option has been exercised of their designation at fair value through other comprehensive income (including dividends on UCIs)	403	281
- Caption 80 (partial)	Profits (losses) on trading (Components of profits (losses) on trading relating to net interest income)	151	118
- Caption 80 (partial)	Profits (Losses) on trading (Placement of Certificates)	-88	-64
- Caption 80 (partial)	Profits (Losses) on trading (Effect of purchase price allocation)	-	-
+ Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Debt securities (governments, financial and insurance companies) - Effect associated with profits (losses) on trading	188	133
+ Caption 100 a) (partial)	Profits (losses) on disposal or repurchase of financial assets measured at amortised cost - Debt securities (Banks) - Effect associated with profits (losses) on trading	9	6
- Caption 100 b) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at fair value through other comprehensive income (Effect of purchase price allocation)	-	-
- Caption 100 b) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at fair value through other comprehensive income (Charges concerning the banking industry)	-	-
- Caption 100 c) (partial)	Profits (Losses) on disposal or repurchase of financial liabilities (Effect of purchase price allocation)	-	-
- Caption 110 a) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (a) financial assets and liabilities designated at fair value (Placement of Certificates)	-326	-186
- Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value through profit or loss (Charges concerning the banking industry)	-2	47
- Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities designated at fair value (b) other financial assets mandatorily measured at fair value (amounts attributed to net adjustments to loans)	12	-
+ Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (Provisions/Releases linked to Profits (losses) on financial assets and liabilities at fair value)	-	-
+ Caption 200 (partial)	Other operating expenses (income) (Trading and valuation of other assets)	56	-7
Other operating income (expenses)		**3,224**	**2,120**
Caption 70	Dividend and similar income	3,336	2,107
Caption 200	Other operating expenses (income)	1,065	980
- Caption 70 (partial)	Dividend and similar income on equity instruments held for trading, designated at fair value through profit or loss or for which the option has been exercised of their designation at fair value through other comprehensive income (including dividends on UCIs)	-403	-281
- Caption 200 (partial)	Other operating expenses (income) (Recovery of expenses and indirect taxes)	-729	-680
- Caption 200 (partial)	Other operating expenses (income) (Valuation effects of other assets)	7	18
- Caption 200 (partial)	Other operating expenses (income) (Trading and valuation of other assets)	-56	7
- Caption 200 (partial)	Other operating expenses (income) (Non-recurring income/expenses or income/expenses not linked to continuing operations)	12	-161
- Caption 200 (partial)	Other operating expenses (income) (Recovery of expenses)	-1	-1
- Caption 200 (partial)	Other operating expenses (income) (Charges/revenues from integration)	-7	1
- Caption 200 (partial)	Other operating expenses (income) (National Resolution Fund settlement agreement)	-	130
+ Caption 220 (partial)	Profits (losses) on equity investments (carried at equity)	-	-
Operating income		**20,056**	**18,821**

(millions of euro)

		2025	2024
Personnel expenses		**-5,380**	**-5,586**
Caption 160 a)	Personnel expenses	-5,584	-6,086
- Caption 160 a) (partial)	Personnel expenses (Charges for integration and exit incentives)	103	434
- Caption 160 a) (partial)	Personnel expenses (Time value employee termination indemnities and other)	20	26
- Caption 160 a) (partial)	Personnel expenses (Charges for incentive systems for employees of the distribution networks)	80	39
- Caption 160 a) (partial)	Personnel expenses (Donations to personnel)	-	-
+ Caption 200 (partial)	Other operating expenses (income) (Recovery of expenses)	1	1
Other administrative expenses		**-2,200**	**-2,167**
Caption 160 b)	Other administrative expenses	-3,117	-3,278
- Caption 160 b) (partial)	Other administrative expenses (Charges for integration)	33	31
- Caption 160 b) (partial)	Other administrative expenses (Resolution fund and deposit guarantee scheme)	35	324
- Caption 160 b) (partial)	Other administrative expenses (Recovery of other expenses)	120	75
- Caption 160 b) (partial)	Other administrative expenses (Amounts attributed to net interest income - For Funding initiative)	-	1
- Caption 160 b) (partial)	Other administrative expenses (Derisking charges)	-	-
+ Caption 200 (partial)	Other operating expenses (income) (Recovery of expenses and indirect taxes)	729	680
Adjustments to property, equipment and intangible assets		**-1,193**	**-1,142**
Caption 180	Net adjustments to/recoveries on property and equipment	-435	-449
Caption 190	Net adjustments to/recoveries on intangible assets	-1,051	-927
- Caption 180 (partial)	Net adjustments to / recoveries on property and equipment (Charges for integration)	38	43
- Caption 180 (partial)	Net adjustments to / recoveries on property and equipment (Impairment)	4	5
- Caption 190 (partial)	Net adjustments to / recoveries on intangible assets (Charges for integration)	181	148
- Caption 190 (partial)	Net adjustments to / recoveries on intangible assets (Impairment)	49	17
- Caption 190 (partial)	Net adjustments to/recoveries on intangible assets (Effect of purchase price allocation)	21	21
Operating costs		**-8,773**	**-8,895**
Operating margin		**11,283**	**9,926**
Net adjustments to loans		**-1,669**	**-1,158**
Caption 140	Profits/losses from changes in contracts without derecognition	-	-8
Caption 170 a)	Net provisions for risks and charges (a) commitments and guarantees given	-128	-20
+ Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Loans	-41	-104
+ Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Debt securities (public entities, non-financial companies and others)	4	8
- Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Loans (Effect of purchase price allocation)	19	44
+ Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities designated at fair value (b) other financial assets mandatorily measured at fair value (amounts attributed to net adjustments to loans)	-12	-
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Loans	-1,546	-1,093
- Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Loans (Amounts attributed to other net provisions and net impairment losses on other assets)	3	2
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Loans (Effect of purchase price allocation)	7	-
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Debt securities (public entities, non-financial companies and others)	-5	5
+ Caption 130 b) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at fair value through other comprehensive income - Loans	-10	1
+ Caption 160 b) (partial)	Other administrative expenses (Derisking charges)	-	-
- Caption 170 a) (partial)	Net provisions for risks and charges (a) commitments and guarantees given (provisions for credit risk related to commitments and guarantees given)	37	-1
+ Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (Provisions for non-recurring expenses)	3	8

(millions of euro)

		2025	2024
Other net provisions and net impairment losses on other assets		**-641**	**-310**
Caption 170 b)	Net provisions for risks and charges (b) other net provisions	-126	-87
Caption 230	Valuation differences on property, equipment and intangible assets measured at fair value	-20	-23
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Debt securities (governments, financial and insurance companies)	-48	-5
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Debt securities (banks)	-	1
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Loans (Amounts attributed to other net provisions and net impairment losses on other assets)	-3	-2
- Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Debt securities (banks) (Charges concerning the banking industry)	-	-
Caption 130 b) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at fair value through other comprehensive income - Debt securities	-11	-8
+ Caption 170 a) (partial)	Net provisions for risks and charges (a) commitments and guarantees given (provisions for credit risk related to commitments and guarantees given)	-37	1
- Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (Time value allowances for risks and charges)	8	14
- Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (contribution to the Life Insurance Guarantee Fund)	-	-
- Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (Charges for integration)	-	-
- Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (Provisions/Releases linked to Profits (losses) on financial assets and liabilities at fair value)	-	-
- Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (Provisions for non-recurring expenses)	-3	-8
- Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (Effect of purchase price allocation)	13	-
- Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (future charges on controlling interests)	-	-27
+ Caption 180 (partial)	Net adjustments to / recoveries on property and equipment (Impairment)	-4	-5
+ Caption 190 (partial)	Net adjustments to / recoveries on intangible assets (Impairment)	-49	-17
- Caption 190 (partial)	Net adjustments to/recoveries on intangible assets (Impairment - Amounts reclassified to Other income (expenses))	8	-
+ Caption 200 (partial)	Other operating expenses (income) (Valuation effects of other assets)	-7	-18
+ Caption 220 (partial)	Profits (Losses) on equity investments (Adjustments/Recoveries due to impairment of associates)	-362	-126
Other income (expenses)		**145**	**183**
Caption 220	Profits (Losses) on equity investments	-328	-161
Caption 250	Profits (Losses) on disposal of investments	126	-3
+ Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Debt securities (governments, financial and insurance companies)	188	133
+ Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Debt securities (Banks)	10	6
- Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Debt securities (governments, financial and insurance companies) - Effect associated with profits (losses) on trading	-188	-133
- Caption 100 a) (partial)	Profits (losses) on disposal or repurchase of financial assets measured at amortised cost - Debt securities (Banks) - Effect associated with profits (losses) on trading	-9	-6
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Effect associated with profits (losses) on equity investments	-8	-
+ Caption 160 a) (partial)	Personnel expenses (Donations to personnel)	-	-
+ Caption 190 (partial)	Net adjustments to/recoveries on intangible assets (Impairment - Amounts reclassified to Other income (expenses))	-8	-
+ Caption 200 (partial)	Other operating expenses (income) (Non-recurring income/expenses or income/expenses not linked to continuing operations)	-12	161
- Caption 220 (partial)	Profits (losses) on equity investments (carried at equity)	-	-
- Caption 220 (partial)	Profits (Losses) on equity investments (Adjustments/Recoveries due to impairment of associates)	362	126
- Caption 220 (partial)	Profits (Losses) on equity investments (impairment of controlling interests)	12	60
- Caption 250 (partial)	Profits (Losses) on disposal of investments (Effect of purchase price allocation)	-	-
Income (Loss) from discontinued operations		**-**	**-**
Caption 290	Income (Loss) after tax from discontinued operations	-	-
Gross income (loss)		**9,118**	**8,641**
Taxes on income		**-1,936**	**-2,246**
Caption 270	Taxes on income from continuing operations	-1,785	-1,743
+ Caption 200 (partial)	Other operating expenses (income) (National Resolution Fund settlement agreement)	-	-130
- Caption 270 (partial)	Taxes on income from continuing operations (Charges for integration)	-113	-215
- Caption 270 (partial)	Taxes on income from continuing operations (Effect of purchase price allocation)	-27	-35
- Caption 270 (partial)	Taxes on income from continuing operations (Goodwill impairment)	-	-
- Caption 270 (partial)	Taxes on income from continuing operations (Profits (Losses) on equity investments - Impairment of controlling interests)	-	-1
- Caption 270 (partial)	Taxes on income from continuing operations (Resolution fund and deposit guarantee scheme and Life insurance guarantee fund)	-11	-107
- Caption 270 (partial)	Taxes on income from continuing operations (Impairment losses on financial assets - Investments for the stability of the banking system)	-	-15

(millions of euro)

		2025	2024
Charges (net of tax) for integration and exit incentives		**-235**	**-442**
+ Caption 160 a) (partial)	Personnel expenses (Charges for integration and exit incentives)	-103	-434
+ Caption 160 b) (partial)	Other administrative expenses (Charges for integration)	-33	-31
+ Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (Charges for integration)	-	-
+ Caption 180 (partial)	Net adjustments to / recoveries on property and equipment (Charges for integration)	-38	-43
+ Caption 190 (partial)	Net adjustments to / recoveries on intangible assets (Charges for integration)	-181	-148
+ Caption 200 (partial)	Other operating expenses (income) (Charges/revenues from integration)	7	-1
+ Caption 270 (partial)	Taxes on income from continuing operations (Charges for integration)	113	215
Effect of purchase price allocation (net of tax)		**-69**	**-68**
+ Caption 30 (partial)	Interest margin (Effect of purchase price allocation)	-36	-38
+ Caption 80 (partial)	Profits (Losses) on trading (Economic effect of purchase price allocation)	-	-
+ Caption 100 a) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at amortised cost - Loans (Effect of purchase price allocation)	-19	-44
+ Caption 100 b) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at fair value through other comprehensive income (Effect of purchase price allocation)	-	-
+ Caption 100 c) (partial)	Profits (Losses) on disposal or repurchase of financial liabilities (Effect of purchase price allocation)	-	-
- Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Loans (Effect of purchase price allocation)	-7	-
+ Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (Effect of purchase price allocation)	-13	-
+ Caption 190 (partial)	Net adjustments to/recoveries on intangible assets (Effect of purchase price allocation)	-21	-21
+ Caption 250 (partial)	Profits (Losses) on disposal of investments (Effect of purchase price allocation)	-	-
+ Caption 270 (partial)	Taxes on income from continuing operations (Effect of purchase price allocation)	27	35
Levies and other charges concerning the banking and insurance industry (net of tax)		**-22**	**-249**
+ Caption 100 b) (partial)	Profits (Losses) on disposal or repurchase of financial assets measured at fair value through other comprehensive income (Charges concerning the banking industry)	-	-
+ Caption 110 b) (partial)	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss (b) other financial assets mandatorily measured at fair value through profit or loss (Charges concerning the banking industry)	2	-47
+ Caption 130 a) (partial)	Net losses/recoveries for credit risk associated with financial assets measured at amortised cost - Debt securities (banks) (Charges concerning the banking industry)	-	-
+ Caption 160 b) (partial)	Other administrative expenses (Resolution fund and deposit guarantee scheme)	-35	-324
+ Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (contribution to the Life Insurance Guarantee Fund)	-	-
+ Caption 270 (partial)	Taxes on income from continuing operations (Resolution fund and deposit guarantee scheme and Life insurance guarantee fund)	11	107
+ Caption 270 (partial)	Taxes on income from continuing operations (Impairment losses on financial assets - Investments for the stability of the banking industry)	-	15
Impairment (net of tax) of goodwill, other intangible assets and controlling interests		**-12**	**-32**
Caption 240	Goodwill impairment	-	-
+ Caption 170 b) (partial)	Net provisions for risks and charges (b) other net provisions (future charges on controlling interests)	-	27
+ Caption 220 (partial)	Profits (Losses) on equity investments (impairment of controlling interests)	-12	-60
+ Caption 270 (partial)	Taxes on income from continuing operations (Goodwill impairment)	-	-
+ Caption 270 (partial)	Taxes on income from continuing operations (Profits (Losses) on equity investments - Impairment of controlling interests)	-	1
Net income (loss)		**6,844**	**5,604**

Other attachments

Fees for auditing and services other than auditing pursuant to Article 149 duodecies of Consob Regulation 11971

(millions of euro)

Type of service	INTESA SANPAOLO		GROUP COMPANIES(*)	
	EY	EY Network	EY	EY Network
Independent audit (**)	10.18	-	10.78	-
Release of attestations (***)	2.19	-	4.27	-
Other services:				
Agreed audit procedures	*0.02*	-	*0.15*	-
Consolidated Sustainability Statement	*1.14*	-	*0.26*	-
TOTAL	**13.53**	**-**	**15.46**	**-**

(*) Group companies and other consolidated subsidiaries.

(**) Including costs for statutory audit and voluntary audit. Costs for audit of funds for about 12.2 million euro are not included.

(***) Including audit costs, on a voluntary basis, for "Pillar 3" disclosure.

Amounts net of VAT and reimbursed expenses and Consob contribution.

Contacts

Intesa Sanpaolo S.p.A.

Registered office
Piazza San Carlo, 156
10121 Turin
Telephone: +39 011 5551

Secondary registered office
Via Monte di Pietà, 8
20121 Milan
Telephone: +39 02 87911

Investor Relations & Price-Sensitive Communication
Telephone: +39 02 8794 3180
Fax: +39 02 8794 3123
E-mail investor.relations@intesasanpaolo.com

Media Relations
Telephone: +39 02 8796 3845
Fax: +39 02 8796 2098
E-mail stampa@intesasanpaolo.com

Internet: group.intesasanpaolo.com

Financial calendar

Approval of the Interim Statement as at 31 March 2026:	5 May 2026
Approval of the half-yearly report as at 30 June 2026:	29 July 2026
Approval of the Interim Statement as at 30 September 2026 and resolution with regard to the distribution of an interim dividend:	30 October 2026