

Press Release

BCC Iccrea Group: Approval of the draft 2024 financial statements.

Update of Group Targets until 2027.

In line with the principles that inspire cooperative credit, the BCC Iccrea Group is further developing its service model to make it increasingly diversified, sustainable and inclusive, strengthening its territorial roots and enhancing its solidity.

***Strong support to local communities:** new credit disbursements of approximately 46 billion euros over the three-year period.*

***Significant investments:** around 850 million euros over the three-year period, including 300 million euros in IT, for the further development and digitalisation of the service model.*

***Sustainable profitability,** also driven by greater diversification of revenues.*

***Solid capital and liquidity position:** CET1 ratio at 27.1% in 2027; LCR at 248% and NSFR at 163% in 2027.*

***Asset quality ratios in line with the average of the main Italian and European peers:** gross NPL ratio at 2.7% and net NPL ratio at 0.9% in 2027.*

***Renewed commitment to ESG topics** with significant goals on decarbonization, equity, and inclusion.*

Rome, March 26, 2025

Today the Board of Directors of Iccrea Banca has approved the draft financial statements and the Group's consolidated financial statements as of December 31, 2024, including the non-financial statement, confirming the preliminary results already communicated on February 12, 2025.

In 2024, the Group achieved significant results, strengthening its support to local communities (nearly 17 billion euros in new credit disbursements during the year) and further consolidating the solidity of its fundamentals (CET1 ratio at 23.3%, net NPL ratio at 0.8%).

The Board of Directors of Iccrea Banca has also reviewed the Group's targets until 2027. The extension of the current Plan's horizon to 2027 reflects both the Group's rolling approach to strategic planning and the need to include updated macroeconomic and financial conditions. Furthermore, this extension considers the results achieved in 2024, during which the main goals set for 2026 were largely met.

With a very cautious approach, the Group has set minimum targets for 2027 to ensure continuous support to local economies, as well as sustainable development and profitability. Below the main targets set:

Support to local communities: Further evolve the service, distribution, and offering models, preserving the values of mutualism and localism.

- **Net customer loans:** 97.6 billion euros (CAGR 24-27: +1.4%, supported by approximately 46 billion euros in new disbursements)
- **Direct funding¹:** 146.2 billion euros (CAGR 24-27: +2.1%)
- **Indirect funding:** 85.1 billion euros (CAGR 24-27: +6.5%, an increase of 14.7 billion euros during the plan period driven by the growth of qualified funding)

Innovation and digitalization of the service model: definition of a Digital Plan, aiming at strengthening the “omnichannel” offering, improving distribution and interaction processes both with members and customers with approximately 850 million euros in investments over the three-year period, of which 300 million euros in IT.

Revenues diversification and cost discipline: Evolve the offering of products and services (also leveraging on recent partnerships in bancassurance, payments, salary-backed loans, and IT), consolidating the role of our cooperative banks as reference points for families, small businesses, and SMEs. Ensure efficiency levels consistent with the business model through the unified oversight of production processes.

- **Net interest income:** 3.9 billion euros (CAGR 24-27: -3.5%)
- **Net fee and commission income:** 1.6 billion euros (CAGR 24-27: +4.2%)
- **Total Revenues:** 5.6 billion euros (CAGR 24-27: -2.0%)
- **Cost/Income ratio:** 60.5%
- **ROE:** 7.3%
- **ROA:** 0.8%

Consolidation of the already solid capital and liquidity position, thanks to the strong and constant value generation of the Group.

- **CET1 ratio:** 27.1%; **TC ratio:** 27.5%
- **RWA:** 70.8 billion euros (CAGR 24-27: +2.1%)

¹ Liabilities to customers and securities issued.

- **LCR:** 248%; **NSFR:** 163%

Further improvement of asset quality ratios in line with the main Italian and European banks through de-risking activities (constant improvement of the cure rate and disposals) and the adoption of careful policies in the phase of new originations to limit new NPL inflows.

- **Gross NPL ratio:** 2.7%; **Net NPL ratio:** 0.9%
- **NPL coverage ratio:** 67.9%
- **Cost of credit:** 52 bps

Development of an increasingly responsible and inclusive business, through:

- 1) **Decarbonization of the loan portfolio:** Targeted initiatives have been defined to reduce "financed" emissions, with particular attention to priority sectors in relation to the Group's exposures. The goal is to achieve approximately 11 billion euros in new loans to clients from 2025 to 2030 aimed at improving the emission profile.
- 2) **Reduction of direct CO2 emissions** (Scope 1 and Scope 2): Specific targets have been identified to be achieved by 2030 (Scope 1: -20%; Scope 2: -75% compared to the 2023 baseline).
- 3) **Diversity, equity, and inclusion:** Initiatives have been defined – with a target of implementation by 2030 – to enhance inclusive leadership (a 25% increase compared to 2024 in women managerial positions) and raise employee awareness on gender, ethnicity, and diversity issues.
- 4) **Evolution of the social framework:** Efforts are underway to develop methods for measuring the distinctive aspects of cooperative credit initiatives in their local areas.

The President of the BCC Iccrea Group, Giuseppe Maino, commented: "With the update of our industrial plan to 2027, we confirm our commitment to grow in line with our core values of mutualism and localism. Our focus is on supporting local communities thanks to new loans disbursements for approximately 46 billion euros. We are committed to reinforcing our role as a reference point for families and SMEs, providing innovative solutions while preserving our strong local presence—a distinctive feature and a key strength of our business model."

The General Manager of the BCC Iccrea Group, Mauro Pastore, added: "Growth, credit quality, innovation, sustainability, and inclusion: these are the pillars of our industrial plan for 2027. We are facing a challenging path, but we are confident we have all the resources necessary to achieve our goals, as we have already demonstrated in previous years. We aim to effectively diversify our offering to play an increasingly central role in the development of the territories where our BCCs are present. Our plan has a strong focus on growth, solidity, with a CET1 ratio targeting 27.1%, asset quality, with a net NPL ratio targeting 0.9%, and technological infrastructure, with investments totalling 300 million euros."

The BCC Iccrea Group is the largest cooperative banking group, the only national banking group with entirely Italian capital, and the fourth-largest banking group in Italy by assets, with a total consolidated asset of 165 billion euros as of December 31, 2024. The Iccrea BCC Group is currently made up of 114 Cooperative Credit Banks, present in over 1,700 Italian municipalities with nearly 2,500 branches, and other banking, financial, and instrumental companies controlled by BCC Banca Iccrea. The Group reached approximately €93.5 billion in net loans and 137 billion euros in direct funding across Italy, serving over 5.2 million customers and around 880,000 members. The BCC Iccrea Group ranks among the best banking groups in terms of capitalization, with a CET1 ratio of 23.3%, and liquidity position, with an LCR of 281%. The Group is a member of the Tertio Millennio Foundation – ETS, a non-profit organization established in 2002 within the Cooperative Credit sector, dedicated to promoting social solidarity activities in Italy and abroad.

www.gruppobcciccrea.it

This press release contains certain forward-looking statements, projections, objectives, estimates and forecasts reflecting the Gruppo Bancario Cooperativo Iccrea management's current views with respect to certain future events.

These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding Iccrea Banca's future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where the Group 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. 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.

Moreover, this Press Release may contain summarised information or information that has not been audited, and its recipients are invited to consult the documentation and public information made available by Iccrea Banca.

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